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Release of American hostages held in Lebanon

Reagan ready for talks with Iran

WASHINGTON, July 25, (Agencies): President Reagan suggested today he was ready for talks with Iran on the release of American hostages held by pro-Iranian groups in Lebanon.

"If they're willing and ready to talk, it's time," Reagan said in response to a reporter's shouted question at a White House Rose Garden ceremony.

The reporter had asked: "Are you ready to talk to Iran about the hostages — is it time?"

Reagan did not elaborate on his reply.

Tehran did not prescribe conditions for a resumption of relations that were broken in April 1980, said the official, who spoke on condition of anonymity.

Reagan did not elaborate much, but an administration official noted earlier in the day that the United States had sent a new message to Iran last week asking about the possibility of talks aimed at normalising relations. Tehran still has not sent an "authorised" reply, the official said.



Reagan

The foreign hostages in Lebanon are believed held in Beirut's suburbs by captors with suspected links to the pro-Iranian Hezbollah led by Fadlallah.

"Some states with hostages in Lebanon exploited this affair for the interest of their control in the world. America has complicated the issue," the leader said in a sermon at a mosque in the predominantly Shiite Muslim neighbourhood of Beir Al Abed in southern Beirut.

"We call on all parties to resolve this matter objectively and bring it to a happy ending without media manipulations," said Fadlallah, who is considered to be Iran's most important representative in Lebanon.

His remarks were viewed as a call for negotiations to free the hostages.

But, US Defence Secretary Frank Carlucci said he is willing to discuss the hostage issue with Iran. He, however, ruled out cutting any deals with the Tehran government.

"We have consistently said we would be prepared to enter into a dialogue with Iran," Carlucci said on NBC's meet the press.

"We're obviously not going to discuss any quid pro quo, but if the Iranians want to talk to us about the hostage situation and how they're going to go about influencing their release, we'd be delighted to talk to them about it," Carlucci said. "I'm not, in the slightest, suggesting there should be any deal for the hostages. That is contrary to our policy."

Discuss

A Reagan administration official said earlier today that despite a new US message last week, Iran still had not sent an "authorised" reply to American entreaties about talks on normalising relations between the two countries.

The message reiterated US desires to discuss ties with

Sheikh Mohammed Hussein Fadlallah, the spiritual guide of the pro-Iranian Hezbollah, called yesterday for a happy ending to the captivity of at least 18 Westerners held hostage in Lebanon.

Fadlallah's apparent overtures also coincided with US statements that Washington would be willing to discuss the hostage issue with Iran, but would not negotiate any deals for their release.

Iraqi commander dies in crash

MANAMA, July 25, (UPI): Lt. Gen. Maher Abdul Rashid, considered the most-decorated commander in the Iraqi armed forces, was killed in a plane crash, the Bahrain-based Gulf News Agency said yesterday.

Rashid, nicknamed Iraq's "Rommel" by Western newsmen, was killed on Saturday, GNA said, quoting an announcement by the general command of the Iraqi armed forces.

Iraq pledges to withdraw from captured towns

BAGHDAD, July 25, (Agencies): Iraq said today it would continue its withdrawal from recently captured Iranian territory as Gulf war peace talks approached at the United Nations.

Announcers on state-run Iraqi television broke into regularly scheduled programmes to announce that Iraqi troops would pull back tomorrow from all the towns captured in the central border region in an offensive last week.

"They will be withdrawn in line with our declared policy that we have no territorial ambitions in Iran," the communiqué read.

Forcing

The announcement brought hopes that an uneasy calm could settle on the war fronts as ceasefire talks begin this week in New York between United Nations Secretary-General Perez de Cuellar and the Iranian and Iraqi foreign ministers.

Iraq's announcement came as Iran claimed it attacked Iraqi forces on two fronts in the southern and central sectors of the front forcing them to retreat 25 miles (40 kilometres) and killing or wounding 1,500 Iraqis in the south.

Iran's Islamic Republic News Agency (IRNA) also said its forces had inflicted heavy losses on Iraqi troops in the central sector, which Iraq says it will evacuate tomorrow.

The agency claimed Iraqis had downed an Iraqi fighter plane over the border town of Sar-e-Pol Zahab yesterday, but Baghdad denied the claim.

Downed

The nightly high command communiqué said Iraqi jets over 261 sorties and combat missions during the preceding 24 hours, inflicting heavy losses in men and equipment on the Iraqis.

It said two Iranian jets, one a US-made F-5 and the other an F-4 Phantom, were shot down by anti-aircraft fire as they tried to cross into Iraq on the central war front.

Another Iranian F-5 was downed by patrolling Iraqi jets over the same sector of the front, the communiqué said. All Iraqi aircraft returned to base safely, it added.

The communiqué said the Iraqi Navy launched three missile strikes on the Nawraz oilfield in the northern Gulf and another unnamed oil well.

It said the targets "were left destroyed and in flames."

Yesterday Iraq said it had pulled back from Iranian land seized in a drive toward the city of Ahwaz in southern Iran last week.

The two Iraqi offensives, which occurred after Iran said it had accepted a United Nations Security Council demand for a ceasefire, prompted Iranian leaders to call for front line volunteers and to accuse Iraq of trying to sabotage peace efforts.

Today's communiqué said Iraq has "taught the Iranian regime a lesson. We will wait to see how they will react vis-a-vis peace and direct negotiations."

Targets

The communiqué identified the towns being evacuated as Qasr-e-Shirin, Gilan Gharb, Soummar and Sar-e-Pol Zahab. It also said the villages of Sale Abad, Mir Abad and Golan would be left behind.

The announcement from the Iraqi general command implied that the Iraqis deliberately pulled back.

IRNA said Iranian combatants "liberated" the Abuzar (Continued on Page 2)



HH the Amir (second left) received well-wishers at the Seif Palace on Eid day.

Islam bans controversy during haj: King Fahd

BAHRAIN, July 25, (Agencies): King Fahd of Saudi Arabia said today he regretted Iran's decision to boycott this year's pilgrimage to Makkah.

"I regret not seeing Iranian pilgrims this year," the king said in televised remarks to heads of pilgrimage (haj) delegations.

In a later formal speech read for him on television, marking the Eid Al Adha at the end of the annual pilgrimage, King Fahd said Islam bans controversy during the haj and orders Muslims to perfect the ritual in "calm and politeness."

Saudi Arabia, which cut ties with Iran in April, was ready to receive Iranian pilgrims, but due to "certain circumstances, not from the kingdom's side but

from the authorities in Iran," the Iranians stayed away this year, he said.

Iran decided to boycott the haj to protest a new quota system which cut the number of potential Iranian pilgrims from 150,000 to 45,000.

Relief

The king in his speech, read on television by Information Minister Ali Hassan Al-Shaer, expressed his country's relief to hear of Iran's acceptance of United Nations Resolution 598 ordering a ceasefire in the Iran-Iraq war.

"We welcome the return of peace to the Gulf region and reiterate our keenness for peace and stability to prevail between the two Muslim neighbours Iraq

and Iran," he added.

The king then called for unity in the Muslim world to enable it to pass "this critical and dangerous era in our long history.... this requires that we remain alert and to review our divisions and differences in opinion."

The king saluted Muslim rebels in Afghanistan and said "from these holy places a greeting of admiration and appreciation accompanied by sincere congratulations for the imminent liberation" of Afghanistan from communist rule.

Riyadh has supported the rebels against Soviet and Kabul government troops in Afghanistan.

(Continued on Page 2)

Eid Al Adha celebrated

MUSLIMS in Kuwait celebrated the Eid Al Adha on Sunday and many of them carried out the obligatory sacrifice. But the scorching heat forced people to stay in during the day.

HH the Amir offered Eid prayers at the State Grand Mosque. He later received well-wishers at the Seif Palace in presence of acting Premier and Foreign Minister Sheikh Sabah Al Ahmed and members of the ruling family.

The Amir, on the Eid day, also offered greetings to citizens in the Sharq area.

Greetings

Yesterday, he exchanged greetings with the residents of Al Qibla area. He also visited the Capital's governorate, where he was received by the Interior Minister and acting Oil Minister Sheikh Salem Al Sabah.

The Amir exchanged cubles of greetings with HH the Crown Prince and Premier Sheikh Saad Al Abdullah and other Arab and Muslim heads of state.

Thousands of Muslims thronged the mosque at dawn on Eid day to offer prayers and afterwards slaughtered sheep.

Cost of sheep ranged between KD 35 and KD 90. The Municipality erected temporary slaughterhouses at different places in the country.

There was a big rush of people at the temporary slaughterhouses and people had to wait in

(Continued on Page 4)

New minister

BAGHDAD, July 25, (Reuters): An Iraqi presidential decree today named the Speaker of the National Assembly, Saadoun Hamadi, as minister of state for foreign affairs.

He was foreign minister before being appointed in 1983 as minister at the presidential palace. He was elected Speaker of the assembly four years ago.

Deputy Prime Minister Tariq Aziz remains as foreign minister.

Sikh terrorists kill high priest

AMRITSAR, July 25, (Reuters): Sikh extremists shot dead one of their faith's five high priests today in an attack officials said sent shockwaves through the moderate Sikh community.

Sohan Singh was gunned down as he arrived for a meeting of moderate Sikh religious and political leaders in the industrial city of Ludhiana in north India's Punjab state.

He had been appointed only recently as high priest of the Golden Temple, Sikhdom's holiest shrine.

Bhan Singh, a senior member of the faith's administrative body, was also killed in the attack by three gunmen armed with

AK-47 automatic rifles.

Police said another administrative leader, Mal Singh Ghuman, was seriously wounded.

Efforts

All three had been warned their efforts to unite moderate Sikhs against extremists fighting for an independent homeland would end in death, police said.

Police said more moderate leaders could have been killed in the carefully planned attack but were late for the meeting.

The attack was immediately condemned by other moderate Sikhs, including former Punjab Chief Minister Surjit Singh Barnala.

They said the deaths were an

"irreparable loss" to the entire Sikh community.

Sohan Singh was put on the extremist hit list for collaborating with the government when he helped resume religious rites at the Golden Temple in the holy city of Amritsar after a 10-day siege by government forces in May.

Siege

More than 30 extremists barricaded inside the temple were killed during the siege and another 150 surrendered.

The extremists later nominated their own head priests.

Elsewhere in Punjab, extremists shot dead a nine-year-old schoolgirl and a teacher when

they opened fire on a primary school.

Three other schoolgirls were injured in the attack in Hoshiarpur district. The reason for the attack was not immediately known.

Nearly 1,600 people have been killed so far this year in Punjab as militants intensify their campaign for a homeland they call Khalistan (land of the pure).

Prime Minister Rajiv Gandhi has repeatedly rejected demands for a separate Sikh homeland.

In an interview published today he also ruled out giving the north Indian state more autonomy in a bid to end the bloody separatist campaign.

Zia accuses India of inciting Sind violence

ISLAMABAD, July 25, (AP): Pakistan President Mohammad Zia-ul-Haq today accused India of meddling in Pakistani affairs by inciting ethnic violence in the southern province of Sind.

"We have fundamental proof, evidence to show to our friends in India that they have been interfering in Sind by trying to isolate Sind from the rest of Pakistan," Zia said of the disturbances that have broken out four months before scheduled elections.

In the last two months, more than 40 people have been killed and more than a 100 injured in ethnic clashes in Sind.

Erupted

In the latest case, a Hyderabad municipal councillor was killed during an assassination attempt on the city's mayor, who was shot. Hyderabad, which is 110 miles (176 kilometres) north of the port city of Karachi, then was rocked by riots that killed at least seven people.

Pakistan's Army was sent in to quell the violence after mobs set fire to several cars, banks and shops. A shoot-on-sight curfew was imposed.

The trouble has erupted between Indians who emigrated to Pakistan after the 1947 partition and Sindhis pushing for the independence of Sind.

Troops control sensitive areas

Gujarat policemen disarmed

BOMBAY, July 25, (Reuters): The Indian Army and paramilitary forces took over security in the western state of Gujarat today and disarmed police to prevent a mutiny, officials said.

The Gujarat government accused police unions of blackmail in pursuit of better pay and conditions and of looting and arson.

Deputy Gujarat police chief P.C. Pandey said in a telephone interview the soldiers and paramilitary forces had taken control of all sensitive areas in a state prone to communal clashes between Hindus and Muslims.

The crackdown started yesterday with the arrest of Ashok Bhatt, a police inspector who was head of the state's police unions, for what the government called "serious criminal activities."

Nearly 20 of his colleagues were also arrested and 55 union activists dismissed from the force as police were disarmed and their armoured vehicles taken over by soldiers.

Gujarat Chief Minister Amarsinh Chaudhry went on television to accuse the police unions of blackmail. He charged that police had threatened strikes at times of communal tension and accused them of looting and arson.

Chaudhry appeared to be referring to incidents in June, 1987 when police threatened to go on strike during a Hindu religious festival that had often resulted in violence with Muslims.

The government charged at the time that police were responsible for a wave of arson and

looting of shops.

Pandey said Gujarat's main cities were peaceful today and that most policemen were ignoring Bhatt's call for an indefinite strike.

Bhatt made the call in a speech to colleagues after his release by a magistrate who ruled the manner of his arrest was illegal.

Bhatt called for a strike until the Gujarat government rescinded its dissolution of the police unions and ordered the reinstatement of those dismissed from the force.

"The Army is still manning police posts, but a large number of police who deserted their posts yesterday are reporting for duty," Pandey said.

Chaudhry suggested in his television address he would not reverse the decision to ban the police unions.

Bloodshed in occupied areas

Two shot dead on Eid day

OCCUPIED JERUSALEM, July 25, (Agencies): The blood of Muslims, Christians and Jews flowed in the holy land as all three faiths prayed for peace.

The Muslim feast of Eid Al Adha began in violence yesterday as Israeli troops shot dead two Palestinians and injured at

least six. At the same time an Army officer was wounded in the head by a stone-throwing Arab demonstrator.

The bloodshed cut across religious barriers — Muslims on the first day of their feast, Jews on the Tisha B'av fast and Christians attending Sunday church

services.

In Kabbatiyeh troops killed one man and wounded three when they opened fire after tear-gas and rubber bullets failed to disperse a stone-throwing crowd of demonstrators in a cemetery who wounded an Israeli officer.

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بھارتی صوبہ گجرات میں
فوج نے انتقام سنبھال لیا
سکھ احتجاج پسندوں نے اہم
رہنما کو گولی مار دی
پاکستان اور بھارت کے
ایک دوسرے پر الزامات
عراق آج قبوضہ علاقے
خالی کر دے گا
پاکستان امریکہ سے مزید
اسلحہ خریدے گا
مکتوب پاکستان اور
یونینیات

WEATHER	
TEMPERATURE will be above normal with light to moderate north-westerly wind.	
State of sea: slight	
High water: 8.00 am, 10.00 pm	
Low water: 2.00 am, 4.00 pm	
Sunrise: 5.05 am	
Sunset: 6.44 pm	
Maximum temperature recorded:	
Kuwait: 48°C 118°F	
Ahmed: 45°C 113°F	
Falaka: 43°C 109°F	
Minimum temperature recorded:	
Kuwait: 30°C 86°F	
Ahmed: 33°C 91°F	
Falaka: 34°C 93°F	
Maximum temperature expected:	
Kuwait: 47°C 117°F	
Ahmed: 44°C 111°F	
Falaka: 42°C 108°F	
Minimum humidity recorded:	
Kuwait: 24 per cent	
Ahmed: 34 per cent	
Falaka: 38 per cent	
Maximum humidity expected:	
Kuwait: 22 per cent	
Ahmed: 32 per cent	
Falaka: 36 per cent	

INTERNATIONAL

Residents of Nagorno-Karabakh to continue campaign

Armenians go back to work

MOSCOW, July 25. (AP): Armenians in troubled Nagorno-Karabakh today went back to tending fields, driving buses and building homes as a two-month strike for annexation with Armenia came to an end, residents and state-run media said.

The disgruntled Armenian population's decision to end protest strikes signals the first step towards a return to normal in the region that has been in tumult since February.

However, an engineer in the regional centre of Stepanakert said some of Nagorno-Karabakh's 162,000 residents will continue the campaign for annexation with Armenia.

"Today people went to work. Transport is operating and we have ended our strikes," reported the engineer for the state broadcasting committee. She declined to give her name.

Decision
"The solution is still very tense," she said by telephone. "The decision has done little for us and we will continue this fight to the end. But what is the sense of continuing to strike?"

The Kremlin leader decided a week ago that Nagorno-Karabakh, which is predominantly Armenian and Christian,

will remain part of the mostly Muslim Azerbaijan Republic that has ruled the mountainous district since 1923.

Armenians had staged a vocal campaign for annexation by Armenia, contending they suffered discrimination under the Azerbaijanis.

The annexation drive was opposed by the Azerbaijani leadership, and the struggle over control of Nagorno-Karabakh fuelled ethnic tensions in the caucasus mountain region settled by dozens of different ethnic groups.

Violence

Mass demonstrations by Armenians in Nagorno-Karabakh and in the Armenian capital of Yerevan drew hundreds of thousands when the annexation campaign began in February. The ethnic battle turned violent on Feb. 28, when youths went on a rampage in the Azerbaijani port of Sumgait, killing 26 Armenians and six others.

Last Wednesday, after the national leadership's rejection of the bid was made public in Yerevan, activists called for a five-day strike in protest. But most residents heeded official warnings and went back to work.

Strikes continued in Nagorno-Karabakh through the weekend, but state-run Radio Moscow reported today most workers in the region had returned to work.

Neither Radio Moscow nor the engineer reached in Stepanakert explained why the residents decided to return to work, and other calls to the region did not go through.

Soviet leader Mikhail Gorbachev in a speech a week ago urged a tougher stance on the ethnic strife.

Meeting

The official news agency Tass said a special meeting of the Armenian Communist Party leadership took place on Sunday at which local officials were blamed for allowing the annexation drive to get out of hand.

National party leaders noted "the situation that has shaped in the republic over the recent months has been a result of gross miscalculations and errors in the political, organisational and ideological work of party committees, of primary party organisations."

Tass said Armenians party officials "failed to sense the political danger of unjustifiable calls for revision of the existing national-territorial structure."

Pravda, the party's central newspaper, also criticised Armenian party leaders for their "political immaturity."

On Friday, Tass reported that criminal proceedings had begun against the director of the publishing house in Nagorno-Karabakh. It said the chiefs of other enterprises who had encouraged strikes were being disciplined.

Lawsuits, the agency said, had been filed against some executives for damages caused to the state in goods that were not produced or transported.

Nagorno-Karabakh's Communist Party leader Genrikh Poghosyan issued an appeal on television for people to go back to work and make up the damage to the region's economy.

Soviet Television reported at the weekend that people were worn out by the strikes which it said had lasted for almost six months. Previous reports said sporadic stoppages started in March and a general strike began in mid-May.

But the television also noted some "instigators" were distributing leaflets urging workers not to return to their jobs.

Some residents of Stepanakert insisted that they were not giving up hope for union with Armenia.



A young Armenian is being rushed to a hospital after being wounded during the clashes near Yerevan airport. (Reuters wirephoto)

Society more permissive in 1980s

LONDON, July 25. (KUNA): The so-called "swinging" 1960s, long thought here as a decade of "free love," sexual permissiveness and liberated attitudes is a myth, according to a survey today.

In fact, according to the report, the supposedly austere and AIDS-fearing 1980s are more liberated in terms of social attitudes and male-female relationships.

More partners now live together before marrying, fewer eventually wed in church, divorces have increased, and illegitimacy no longer carries the social stigma it once did, the survey by Britain's Family Policy Studies Centre revealed.

"The image of the 1960s as an era of the 'permissive society' seems greatly distorted," said the report's editor Melanie Henwood.

"Despite their long hair and psychedelic clothes, most of the hippie generations were actually pretty conservative lot who got married in church, had children and established traditional families with dad out at work and mum at home with the children," she added.

Israel withdraws spies from Britain

LONDON, July 25. (Reuters): Israel and Britain were silent today about reports that Israel withdrew five agents of its Mossad secret service from operations in London but British government sources said such a move was likely.

"It is plausible that the Israelis have decided to modify their activities," one government source said.

According to British newspapers Mossad has dismantled an entire espionage cell in Britain in the past six weeks following a diplomatic row over its activities in Britain.

Both the Foreign Office and Israeli Embassy officials in London declined to comment. The reports said diplomatic and security sources confirmed five agents left Britain on Thursday with their families on separate El Al flights.

Murder

Relations between Britain and Israel have been strained since Ismael Swann, 28, a Palestinian who admitted working for Mossad, was jailed for 11 years by the London High Court last month. Convicted of storing arms for the Palestine Liberation Organ-

isation (PLO), Swann said his actions were part of spying duties for Israel.

He also admitted working with and spying on Abdul Rahim Mustapha, a Palestinian wanted in connection with the murder in London of Ali Adhawi, a cartoonist critical of the PLO.

After the trial, Britain expelled one PLO representative and an Israeli attaché, Arie Regev, saying activities incompatible with diplomatic status by embassy personnel would not be tolerated.

British newspapers quoted security sources here as saying the Israeli agents were withdrawn to forestall more discord between the countries whose relations have been shaken lately by two other issues.

Israel promised to Britain earlier this month about its latest arms deal with Saudi Arabia, estimated to be worth between \$20 and 30 billion.

A week ago, British Foreign Office Minister David Mellor was reported to have compared Israel's policy towards Palestinians with South Africa's treatment of blacks in an interview with the Cairo weekly Akhbar El-Yom.

Iraq pledges to withdraw from captured town

(Continued from Page 1)

garrison near Sar-e-Pol Zahab in the central sector and launched an attack against Iraqi positions in the Zeid region in the south early today.

IRNA said "the enemy is still in occupation of" 1,600 square miles (4,000 sq km) of Iranian soil from Mehran to Qasr-e-Shirin.

The territory, in the central sector of the warfront, included the five towns of Qasr-e-Shirin, Sar-e-Pol Zahab, Naft Shahr, Mehran and Soumar, the news agency said.

In the Fakkeh region, in the south, Iraq was still holding some 200 square miles (500 sq km) of Iran's soil, IRNA said.

President Ali Khamenei donned military uniform and flew to the war zone on the weekend, asking fellow Muslim clergymen to join in on the front.

Message

"I take my unworthy body and soul to the front and put them at the mercy of God's will," he said in a message, which said times were "very sensitive and determining in the history of Islam."

Tehran Radio said Iranian leader Ayatollah Khomeini met with a group of visitors today who chanted "Please God keep Khomeini alive" and "We are all your soldiers, we will obey your orders."

The radio said Khomeini responded by waving his hand. He apparently did not speak.

Two shot dead on Eid day

(Continued from Page 1)

the Army said.

In Beit Jallah, troops fired on a group of Arabs they said were trying to block the Bethlehem-Hebbron road, killing Jerjes Youssef Kankar, the third Christian Arab to die in a week.

The Army placed Beit Jallah under curfew today after protest demonstrations against the death of Kankar.

Jerusalem remained quiet today, patrolled by 1,400 armed police in riot gear.

Yesterday, paramilitary border police found a cache of petrol bombs above one of the gates to the walled old city.

Many shops in the neighbouring, mainly-Christian city of Bethlehem closed today to mark Kankar's death in Beit Jallah.

Right-wing religious Jews protested at the entrance to the Temple Mount which has sites revered by Judaism and Islam, but which authorities closed to non-Muslims during Eid Al Adha.

The Jews demanded the right to hold prayers on the Mount for Tisha B'av, a day of fasting and mourning the destruction in 586 BC and 70 AD of two Jewish temples which give the site its English and Hebrew names.

Israel released about 150 Palestinian prisoners today as a goodwill gesture during Eid Al Adha and Defence Minister Yitzhak Rabin warned Arabs not to exploit the holiday for political purposes.

In Arab East Jerusalem, police fired teargas and rubber bullets to disperse stone-throwing youths on an otherwise calm day, police said.

71 feared drowned

PEKING, July 25. (Reuters): Seventy-one people are feared drowned after a ferry capsized in southwest China today, the area's second such disaster in five days.

The official New China News Agency said the ferry collided with a barge on the upper reaches of the Yangtze River in Sichuan province and only 25 passengers were rescued. Most of the passengers were members of a geological prospecting team.

Last Thursday 178 people died when a ferry sank in the Minjiang River, a tributary of the Yangtze also in Sichuan province.

Cabinet reshuffle

LONDON, July 25. (Reuters): British Prime Minister Margaret Thatcher carried out a surprise reshuffle of middle and lower-ranking ministers today in an apparent bid to head off speculation about top-level government changes.

Lightning kills 36

PESHAWAR, Pakistan, July 25. (Reuters): Thirty-six people were killed when a small mountain village in the Swat region of northern Pakistan was struck by lightning and flash floods, civil authorities said yesterday.

Gurkha accord

NEW DELHI, July 25. (UPI): Authorities today signed an agreement with a Gurkha radical group designed to end 25 months of agitation, an official said.

Ne Win's resignation accepted

RANGOON, July 25. (Reuters): Burma's ruling Socialist Party today approved the resignation of its chairman Ne Win, who has held unchallenged power since a 1962 coup. Western diplomats quoting party sources said.

They said an extraordinary congress of the Burma Socialist Programme Party (BSPP) accepted the resignation of party chief Ne Win, 77, and of his heir apparent, vice-chairman and state president San Yu, 70.

The diplomats said the congress approved a package of reform aimed at reviving the moribund state-run economy but rejected a proposal for a referendum to decide whether to abandon the one-party system and adopt a multi-party democracy.

They said resignations submitted by four other veteran party leaders were turned down.

A delegate said the party "felt a deep sense of sorrow" at Ne Win's decision.

He said Ne Win and five other veteran leaders who quit should "continue to provide leadership until all the difficulties being encountered today are solved."

The delegate from Kachin state in the north-east urged the BSPP chairman to stay on and said it was premature to consider abandoning one-party rule.

Force
The military established the BSPP in 1962 as the sole political force at a time when the government was enfeebled by squabbling among parties and the unity of Burma was threatened by the armed ethnic revolts.

In his speech to the congress Aye Ko, the party general secretary, conceded the economic decay in the country, which has slipped from prosperity to poverty under Ne Win.

Aye Ko said co-operatives and private traders must be allowed "to engage in all internal and external trading business." It would still be necessary to control export of rice and other grains to ensure sufficient domestic supplies.

The state would retain control of communications, oil, mining, gem trading and arms production.

Otherwise private enterprise would be allowed, along with state concerns, to "establish and operate all light, medium and heavy industries." The state monopoly on fishing and ownership and use of farm machinery should end, he said.

To break deadlock on new accord

Greece opens talks on US bases

ATHENS, July 25. (Reuters): Greece, which has put pressure on the United States by setting a deadline for the removal of all American military bases, began fresh talks today aimed at breaking the deadlock on a new bases agreement.

The week-long Greek-US negotiating effort will aim to end an impasse which has persisted since talks opened last November. Seven previous rounds failed to make progress.

The American negotiators, led by Ambassador Alan Flanigan, and the Greek team, led by NATO Ambassador Christos Zaharakis, opened talks at the Foreign Ministry this morning.

The talks come after Greece formally notified Washington on July 13 that the present bases agreement, signed in 1983, would be terminated in December.

Under the accord the

Americans then have 17 months, or until June 1990, to remove four major military bases, some 20 smaller installations and some 3,700 personnel.

"The presence of the US bases in our country is terminated on Dec 31, 1988," Greek government spokesman Sotiris Kostopoulos told reporters before the eighth round began.

"Essentially, the bases don't exist. Legally, their presence is ended. Therefore, the negotiations under way, at the request of the United States, are on a zero basis."

New accord

"We are not negotiating an extension of the 1983 agreement but a new agreement starting from a zero basis," he added.

After Greece gave formal notification the present accord would be terminated, the

Americans said they were confident a new agreement would be signed.

But Kostopoulos rejected newspaper reports that a secret deal was struck with the Americans, which was said to assure Washington the bases would eventually be permitted to stay.

He repeated previous statements that a new agreement must "serve the highest national interests of our country" and that any new accord would be put to a national referendum before the Greek government signed.

Greek negotiators have insisted that the two sides first guarantee Greece's national interests in the accord before moving on to technical matters. It is on the question of the guarantees that the talks are deadlocked.



Michael Dukakis holding his wife Kitty's hands at a campaign rally in Modesto. (Reuters wirephoto)

Women workers

BEIJING, July 25. (AP): China issued regulations today forbidding discrimination against women employees and guaranteeing healthy work environments for them.

The state council also said employers cannot reduce the wages or annul the contracts of women during pregnancy, maternity leave or nursing.

IRA regrets killing of a family by mistake

NEWRY, Northern Ireland, July 25. (Reuters): The Irish Republican Army (IRA) has apologised for killing a Northern Ireland family of three with a landmine on Saturday but said it might have been triggered accidentally by British Army electronic scanning devices.

A couple and their six-year-old son, returning from a holiday in the United States, were killed instantly when their jeep was blasted off the Dublin-Belfast road by an IRA landmine on the Irish border.

Three other people were injured when their cars toppled into the huge crater created by the blast, police said.

The IRA, fighting to oust Britain from Northern Ireland, called the deaths a case of mistaken identity and said it was a carefully planned military operation which had ended in most unfortunate circumstances.

An IRA spokesman suggested later that "the explosion could have occurred as a result of British forces who were in the vicinity using electronic scanning devices."

Serbs threatening protest in Belgrade

BELGRADE, July 25. (Reuters): Serbs from Yugoslavia's Kosovo province are threatening a mass protest in Belgrade at this week's special Communist party Central Committee plenum on Serbia's constitutional conflict.

Belgrade newspapers said today Serbs from Kosovo had sent messages to Yugoslav party leaders demanding firm solutions to the conflict and the arrest of nationalist militants.

"Unless we get indications that the plenum will definitely confront the bearers of counter-revolution in Kosovo, there is a real danger of a large number of Serbs coming to Belgrade on July 29," one of the telegrams said.

It came from citizens of Kosovo Polje, a village outside the Kosovo provincial capital Pristina, where over 15,000 Serbs in April 1987 battled police when they tried to break up a demonstration.

Serb activists in Kosovo said various groups were considering protest action plans for the Belgrade plenum.

Bush seeks Women's support

Dukakis returns to Boston

WASHINGTON, July 25. (AP): Michael Dukakis, back in Boston for the first time since winning the Democratic nomination last week, goes to work today in the statehouse.

Vice President George Bush, the certain Republican nominee, got mixed reviews when he sought to shore up support among women.

The Massachusetts governor, returning last night from a three-day campaign trip, was greeted warmly by about 150 people in soggy weather at Boston's Logan international airport.

Curtailed

Dukakis and vice presidential nominee Lloyd Bentsen travelled to five states, including the key fall battlegrounds of California and Texas. They set off on their inaugural campaign trip last week, just after accepting their respective nominations at the Democratic national convention in Atlanta.

The Republicans, meanwhile, were looking ahead to their own convention, which opens three weeks from today in New Orleans.

Bush was back in Washington today after spending five days on the road. His campaign between now and the opening of the Republican gathering in next month will be curtailed because he has spent nearly the legal limit for pre-convention campaigning.

But the White House said yesterday that President Reagan probably will campaign on Bush's behalf between now and the convention. That word came from White House spokesman Martin Fitzwater as Reagan was flying back from California, where he was vacationing.

Also aboard was Treasury Secretary James Baker III, who had been in California for a weekend fund-raiser, and his presence fuelled new speculation about an imminent departure

from the administration to run Bush's campaign.

When reporters sent Baker a note asking him to come back and talk to them about the matter, he sent back a dollar bill and suggested that reporters take a close look at the banknote bearing his signature.

Title

"Please note the title under the signature," Baker wrote. That title, of course, is Secretary of the Treasury.

Baker's status isn't the only source of speculation surrounding the Bush campaign. The Vice President travelled to Albuquerque, New Mexico, yesterday with former Transportation Secretary Elizabeth Hanford Dole, who has been mentioned as a potential running mate.

But campaign manager Lee Atwater said Bush would not reveal his choice of a running mate until next month in New Orleans.

Islam bans controversy during haj: King Fahd

(Continued from Page 1)

King Fahd in another speech to Army, National Guards and government officials stressed that no country or party will be allowed to use the haj season for certain purposes, Radio Riyadh reported.

He recalled the condemnation voiced by Muslim clerics and thinkers toward anti-Islamic conducts.

Hundreds of thousands of Muslims performing haj slaughtered sheep on the Eid day to commemorate Prophet Abraham's sacrifice to God.

More than a million Muslims from all over the world, including about a thousand from the United States, were the privileged pilgrims this year able to offer sacrifice on the same spot where tradition has it Abraham offered his sacrifice.

Rituals

The sacrificial slaughter of tens of thousands of sheep followed rituals that began on Friday with prayers at the Kaaba.

Later that day, the pilgrims moved to the plains of Mina, on the outskirts of Makkah, where they spent the night. On Saturday they ascended Mount Arafat, for the climax of the haj, praying, listening to sermons and

chanting in unison "labbaik Allahumma labbaik" (here I am at your command, O God).

From Arafat they moved to Muzdalifah, where they collected pebbles and spent the night, proceeding back to Mina where they stoned the devil before dawn on Sunday.

This was followed by the slaughtering of the sheep, a symbolic sacrifice to commemorate the occasion when God asked Abraham to sacrifice his son, Ismail, substituting him for a sheep at the last moment.

Symbolic

The earlier stone-throwing is a symbolic rejection of evil, or Satan, carried out by the casting of seven pebbles at three pillars on the plain of Mina. This recalls the action by Abraham who stoned the devil three times to avoid being tempted into disobeying God's command to sacrifice his son.

King Fahd, the Custodian of the Two Holy Shrines, and Crown Prince Abdullah, arrived in Mina on Saturday to supervise the final stages of the haj.

Ali Al Shaer announced the ceremonies were conducted in "peace and security."

More than three million Muslims in France joined their religious brethren worldwide in observing Eid Al Adha.

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INTERNATIONAL



Prince Norodom Sihanouk (right) talks with Indonesia's President Suharto (left). (Reuters wirephoto)

Sihanouk and Suharto discuss new moves

Kampuchea peace talks open

BOGOR, Indonesia, July 25. (Reuters) Vietnam and South-East Asian states joined warring Kampuchean factions today at the opening of peace talks aimed at securing a Kampuchean settlement.

Indonesian Foreign Minister Ali Alatas, convening the first peace conference of the four Kampuchean factions since Vietnam invaded its Indochinese neighbour almost 10 years ago, urged the participants to grasp the opportunity for peace.

In Jakarta, Prince Norodom Sihanouk, who has headed the resistance to the Vietnamese military presence in Kampuchea, met with Indonesia's President Suharto to discuss the peace moves, a government spokesman said.

Alatas launched the two-stage meeting with an appeal to the four Kampuchean leaders to bridge their differences and find common ground to end the bloodshed in Kampuchea.

Leaders of the three-party anti-Vietnamese Kampuchean guerrilla alliance sat down with Hun Sen, Prime Minister of the Vietnamese-installed government of Kampuchea, for a longer-than-scheduled three-hour opening session.

They were joined in the afternoon by Vietnamese Foreign Minister Nguyen Co Thach and representatives of South-East Asian nations for the talks at Bogor, 60 km south of Jakarta.

Optimism
"I am optimistic, the situation is now ripe for a solution," Hun Sen told the Jakarta Post in an interview published to coincide with the start of the conference.

Alatas said the Kampuchean leaders should consider how to tackle the central issues of national reconciliation, self-determination, the formation of a provisional government to arrange general elections and the building of a new, peaceful and neutral Kampuchea.

"We of course realise ... that many years of conflict and contention have caused estrangement that may impede a quick convergence of positions," Alatas declared.

But he said the talks offered a unique opportunity and they should seek to find areas of agreement.

"I am convinced that the elements and considerations that unite you, in spirit as well as in basic purpose, are far stronger than any divisive factors that have separated you from one another for so long," Alatas added. He said the conflict could not be solved at one meeting, but a start must be made to replace "armed conflict and confrontation with political dialogue and negotiation."

Key to a settlement will be how to prevent the China-backed Khmer Rouge from sweeping back to power when Vietnam withdraws its estimated 100,000 troops.

Leftists stage protest rally

Insurgency broken, says Aquino

MANILA, July 25. (AP) President Corason Aquino said today the 19-year-old communist insurgency is wearing down and declared that the rebels' rejection of peace gives her government "the moral basis for war."

"This may be remembered as the year the insurgency was broken," Mrs Aquino told Congress in a nationally televised "state of the nation address."

As the President spoke, about 3,000 leftists rallied at a downtown square about 10 kilometres away and burned placards showing her wearing military fatigues. Speakers claimed the government had failed to live up to its promises of land reform and social justice.

"For the armed left, it has been a year of defeats and retreats—a year of propaganda by terror rather than the strategic initiative of which it had boasted," Mrs

Aquino said. She made no direct reference to a call this month by the Catholic Bishops Conference of the Philippines to resume peace talks, which collapsed in January 1987.

"The President vowed her government would keep open the door of reconciliation," she added. "The rejection of our peace efforts restored to government the moral basis for war."

Force
"I wish we could still pursue the path of peace," she added. "Yet, until the (rebels) and their friends come to trust their doctrines to the ballot box rather than the (rifle), government has no choice but to defend our people with the gun."

Last week, Mrs Aquino said she was willing to resume peace talks but only if the rebels request them first. The general command of the 25,000-member New Peo-

ple's Army rejected the call, saying the government simply wants to entrap guerrilla leaders.

During the address, Mrs Aquino said democracy "is beating back the challenge of the totalitarian left."

She called on Congress to pursue an agenda to alleviate foreign debt, improve education, create new jobs and reduce poverty. Mrs Aquino claimed that in the past year, government troops captured five members of the Communist Party central committee, 19 staff officers, 397 regulars and killed about 2,000 party members.

The leftist People's Party, in a statement issued before the speech, said the President's remarks were simply "an apology to the nation."

"The real state of the nation is lived with each passing day," the party said. It is experienced by each hungry family.

Troops leaving Afghanistan on schedule

Soviets refute Zia's claim

MOSCOW, July 25. (Reuters) The Soviet Union has denounced as provocative a statement by Pakistani President Mohammad Zia-ul-Haq that Moscow had sent 10,000 troops back into Afghanistan.

In a statement issued by the official news agency Tass, the Foreign Ministry said yesterday the Soviet withdrawal from Afghanistan was proceeding on schedule and that the United Nations observers had registered no complaints.

"The Soviet Union has not halted the withdrawal of its troops from Afghanistan and has not brought any new units there," the Foreign Ministry statement said.

It said "the statement made by the Pakistani President cannot be assessed otherwise than as irresponsible and provocative. It absolutely contradicts reality."

The Pakistani President's allegations were also rejected on Saturday by Soviet armed forces Chief of Staff Marshal Sergei Akhromeyev, who called them "pure slander."

Zia said Moscow had with-

drawn 34,000 troops since the Soviet pullout started on May 15, but had brought between 10,000 and 12,000 back because it felt the situation around the capital of Kabul was untenable.

The Soviet Foreign Ministry statement charged that Zia was trying to sow doubts about Moscow's intentions and thus "distract the attention from gross violations of the provisions of the accords by Pakistan."

The Soviet Union has repeatedly charged Pakistan with violations of the UN-mediated accords under which Moscow agreed to withdraw its 100,000-plus troops.

Islamic power
Last week, Afghanistan said supplies from Pakistan were the main cause of repeated Afghan rebel attacks on Kabul and sought United Nations intervention to check the assaults on the capital.

Meanwhile, a Soviet military officer, breaking with Moscow's official line, says he doubts the Afghan Army can hold its own after Soviet troops leave the country and predicted Islamic

fundamentalists will gain power. Maj Gen. Kim Tsagolov, who served as a Soviet adviser to Afghan troops, also told Ogonyok magazine that Afghanistan's ruling political party is hopelessly disorganised and factionalised and has bungled opportunities to make peace with insurgents.

Western military and political specialists have been saying for some time they doubt the Afghan Army could fight off US-aided rebels on its own and have predicted a collapse of the Kabul government after the Soviet pullout is completed next year. But Tsagolov, now a philosophy professor at a military academy, is believed to be the first Soviet official, publicly to make similar bleak predictions.

The official Soviet and Afghan line is that Afghan forces are well prepared to defend the country. Lt. Gen. Boris Gromov, the commander of Soviet forces in Afghanistan, told reporters in Moscow on June 29 that the Afghan government had created an effective fighting force.

But when an Ogonyok cor-

respondent asked Tsagolov if he was confident Afghan forces could provide adequate defence from rebel attacks after the Soviet withdrawal, he said:

"If you judge the Afghan Army by its current state, then I don't have the confidence about which you speak."

The interview was published in the July 30 edition of Ogonyok, a weekly that has been in the vanguard of Soviet leader Mikhail Gorbachev's campaign for open discussion of the country's problems.

The Afghan Army isn't strong, Tsagolov said, because the ruling People's Democratic Party of Afghanistan and the government lack popular support and have underestimated the threat of the internal armed opposition.

Tsagolov appeared to predict that Islamic fundamentalists would take power in Afghanistan. Asked what the situation would be in the country long after the Soviet withdrawal, he predicted a "galvanisation of the Islamic horizon" tied to an Islamic revolution, an "activation of the Islamic factor."

King Hussein plans political changes

Jordan 'to lower' W. Bank profile

AMMAN, July 25. (Reuters) King Hussein plans internal political changes which could lower Jordan's profile in the occupied West Bank, a source close to the government said today.

The king told senior military officers of his intention on Sunday when he exchanged greetings with them on Eid Al Adha, the source said. The changes would be made after the feast, which ends on Wednesday.

There were no immediate details on what changes King Hussein envisaged but political sources said they could include a cabinet reshuffle, a downgrading of the Ministry for Israeli-Occupied Territories, and an eventual dissolution of the lower house of parliament.

The sources said such moves would represent a reappraisal of Jordan's policy towards the

occupied territories following the seven-month old Palestinian uprising against Israeli rule there. Diplomats say the uprising has revealed that Amman lacks significant support in the West Bank, which was part of Jordan from 1950 until Israel overran the area and Gaza in 1967.

At an Arab summit in Algiers last month, King Hussein called the uprising a popular revolution, denied any territorial ambitions on the West Bank, and pledged not to supplant the Palestine Liberation Organisation (PLO) in peace talks.

His speech started speculation in Amman that Jordan might take steps to lower its profile in the West Bank and end past PLO criticism of its role.

The Ministry for Occupied Territories pays the salaries of 13,000 West Bank civil servants. Since November 1986 it has run

an economic development programme which has attracted some American funds but no Arab backing.

West Bank deputies, some elected by their East Bank colleagues, comprise half of Jordan's 60-member lower house.

Their role has been uncertain since King Hussein declared the PLO should take responsibility for the West Bank.

Parliamentary sources said many of the deputies had been willing to resign last March when a leaflet urging them to do so circulated in the West Bank. The PLO disowned the leaflet.

The political sources said one option to the king was to dissolve the present parliament, revived in 1984 after a 10-year break, and to replace it with an appointed consultative council similar to one which operated from 1978 to 1984.

Iraq recalls envoy from Sudan

BAGHDAD, July 25. (Reuters) Iraq said it was recalling its ambassador from Khartoum in protest against a Sudanese government statement implicating an Iraqi diplomat in the assassination of an Iraqi dissident.

A Foreign Ministry spokesman, quoted by the official Iraqi News Agency, said the allegations in the statement "were based on suspicions, uncertainty and scepticism."

The news agency said it had learned that the Foreign Ministry "had decided to urgently recall the Iraqi ambassador in Khartoum."

A lone gunman assassinated

Mahdi Al Hakim, a prominent pro-Iranian Shi'ite Muslim, on Jan 17 in the lobby of the Hilton Hotel. He had been in Khartoum for a convention of Sudan's National Islamic Front party.

State Omdurman Radio broadcast on Thursday the Sudanese government statement, which said witnesses had identified the killer as an Iraqi diplomat and his escape car as belonging to the Iraqi embassy.

Immunity
It said the man suspected of the murder could not be questioned because of his diplomatic immunity.

The ministry spokesman did

not identify the diplomat and made no specific reference to the allegations of the Sudanese statement.

But he said the accusations were "fabricated with political motives by certain political circles in the Sudanese government known for their suspicious relations with (Iran's spiritual leader Ayatollah) Khomeini's regime."

"The Iraqi government, which does not anticipate such behaviour from an Arab country in these circumstances, expresses strong astonishment for bringing up this matter again a long time after its occurrence," the spokesman said.

Radical Egyptians fight

CAIRO, July 25. (Reuters) A weekend raid by radical Egyptian Muslims on a more moderate group has shown a split in the country's Islamic movement.

Supporters of the Jihad organisation in the southern Egyptian town of Assiut attacked gatherings of the more moderate Muslim Brotherhood with knives and stones on Saturday, wounding 13 people.

The rival groups, competing for support especially among Egyptian students, had originally chosen the same location to hold prayer meetings for the Eid Al Adha.

One group of Ikhwani members was making toys to distribute to children for the feast when Jihad members burst into their mosque, breaking windows and furniture, security sources said.

The Jihad, responsible for killing President Anwar Sadat in 1981, considered the toy-making un-Islamic, the sources said. The group also opposes music and theatre.

The Ikhwani, while also supporting the adoption of strict Islamic law in Egypt, is less severe in interpreting Muslim values and practices. The Ikhwani does not oppose classical music, for instance.

"The Jihad are fighting for their existence," said Mohammed Habbab, a leading Ikhwani member in Assiut, after the clashes.

He said the Brotherhood was gaining strength in Assiut, a traditional stronghold for the more radical Jihad.

Pakistan wants more US weapons

ISLAMABAD, July 25. (Reuters) Pakistan wants to buy more defence equipment and arms from the United States, Foreign Minister Sahabzada Yaqub Khan said.

The official APP news agency reported that Yaqub Khan told reporters before leaving for Washington he would discuss Pakistan's arms needs with US officials but did not say what weapons he was seeking.

The United States is a major supplier of military and economic aid to Pakistan. In May the Pentagon said it intended selling Islamabad 11 F-16 fighters and 560 missiles.

Yaqub Khan said Afghanistan would be the main subject of his talks in Washington between July 25 and July 31. It is also expected to dominate a three-day visit to Moscow starting Aug 2.

Pakistan was ready, he said, to reciprocate any effort by the Soviet Union to reduce tension over Afghanistan — the subject of accusations from both sides.

Prem likely to form new government

BANGKOK, July 25. (Reuters) Thai Prime Minister Prem Tinsulanonda looked set to be given a post-election mandate to form his sixth coalition government today with support of at least three top political parties.

Prem, a non-elected compromise premier since 1980, has not said whether he would accept an invitation from the rightist Chart Thai (Thai Nation) Party, the biggest group in the new parliament, to head another multi-party government.

Opposition

Chart Thai won 87 of the 357 seats in the lower house of representatives in Sunday's general elections but its leader, Chatichai Choonhavan, reaffirmed last night his plan to step aside to pave the way for Prem to resume the leadership.

Chart Thai leaders said a new coalition, comprising all four partners in Prem's outgoing government, plus at least another junior party dropped to third place with 48 seats behind the Social Action Party, led by Foreign Minister Siddhi Savet-sila, which won 54.

Political analysts said Prem, if

he agreed to return, would likely try to include the opposition 35-seat Ruam Thai (United Thai) Party in the new line-up to boost the stability of his government.

Chart Thai leader Chatichai told reporters his party would propose constitutional amendments to make it harder for the opposition to pass no-confidence votes against the government.

Analysts said Prem was not expected to change his current pro-export economic policy under which the well-financed, business-oriented Chart Thai Party would likely be given key economic posts at the industry, Communications and Commerce Ministries.

Prem does not face any serious rival for the premiership.

A proposal by opposition Prachakorn Thai (Thai Citizens) Party leader Samak Sundaravej for an alternative coalition under former Prime Minister Kukrit Pramoj is expected to receive little support.

Samak's party won 31 seats largely by trouncing the Palang Dharma Party of Bangkok governor Chamlong Srimuang in the capital.

Indians capture Tamil camp

MADRAS, July 25. (Reuters) India said on Sunday its troops had captured an important Tamil separatist guerrilla camp in Sri Lanka.

An Indian peace-keeping force spokesman said in Madras troops seized the camp in the Mullaitivu district in northern Sri Lanka on Saturday evening after stiff resistance from Liberation Tigers of Tamil Eelam (LTTE) guerrillas.

At least seven guerrillas and three Indian soldiers were killed in the fight for the camp, which was being set up as guerrilla

headquarters for the district. "The camp had 12 bunkers and was heavily booby-trapped," he added.

A Tiger spokesman admitted the camp had been captured but put the death toll at six Indians and four guerrillas. "The Indians captured the camp after a two-hour fight in which they used mortars to bombard us," he said.

Sri Lankan officials reported 14 Indian soldiers and guerrillas were killed on Saturday in clashes in the north and east. They did not include the Mullaitivu camp toll.

Government Warning: Smoking is a major cause of cancer and diseases of the lungs, heart and arteries.

Eid Al Adha celebrated

(Continued from Page 1)

long queues. But they complained that the KD 4 charge for a sheep was too high. Muslim families called on friends and relatives, mostly in the evening and at night, as the temperature rose to 49 degrees Centigrade on Sunday.

Crowded

The Arabian Gulf Road was full of motorists at night. The Doha Entertainment City, parks and gardens were filled with families in the evening and at night. The beaches were also crowded.

The video shops did very good business as people during the day passed the time watching movies.

Members of welfare organisations visited hospitals and comforted and gave presents to patients.



Muslims embracing each other after offering Eid prayers.



People waiting outside a temporary slaughter house with sacrificial sheep.



Children were given presents at a function at the Sulalbiyat Social Welfare House.



The Charge d'Affaires of Bangladesh, Mohsin Ali Khan (fourth from right) held a reception (open house) at his residence on the Eid day for Bangladeshis.



Zahed Saeed, the Pakistani Ambassador received his countrymen at the embassy yesterday.



The Amusement City was full of fun-seekers on the Eid day. (Photos by Ahmad Al Burini, Amer Jaded and Javed Basra)

Soviet escorts have drawn less notice

MANAMA, July 25. (AP): The Soviet Union has escorted tankers carrying Kuwait oil through the Gulf for about as long as the United States has conducted similar operations. But the low-key Soviet mission has attracted far less notice.

While criticising the United States for escalating tensions and calling for a United Nations-sponsored force to replace foreign navies in the Gulf, the Soviets have maintained their own flotilla in the strategic waterway since late 1986.

Warships

Britain, France, Italy, Belgium and the Netherlands also have kept warships in the Gulf in the past year. All of these forces, along with those of the United States, are expected to be reduced or removed if a UN-sponsored ceasefire to halt the Iran-Iraq war takes effect.

There are usually about 25 to 30 foreign warships in the Gulf, most of them American. The total in the region is around 60, including France's sizable Indian Ocean fleet, based at Djibouti.

The exact number of Soviet

vessels is difficult to pin down, but US officials say it has remained at about seven to nine in the Gulf and nearby waters for the past year.

The force normally includes two destroyers, plus mine sweepers, tugboats and supply vessels.

The Soviet convoys, with one or two warships escorting small groups of cargo vessels flying the flag of the Soviet Union and other Eastern bloc countries, often are seen in the Gulf.

Limited

Their convoys sail without the air cover available to US warships escorting the US-flagged Kuwaiti tankers through the Strait of Hormuz, and their radio traffic is limited to routine exchanges and greetings with the warships of other nations.

The only known example of direct co-operation between the US and Soviet forces occurred last Jan 5, when a Soviet mine-hunter advised a US missile cruiser in the Gulf that it had found a mine, and US helicopters took part in a search for others. The mine eventually was destroyed.

troys by the Soviets, according to US officials.

Moscow's naval operations are run from a coastal anchorage near the United Arab Emirates port of Khor Fakkan, in the Gulf of Oman, close to the staging area for the US Navy's Kuwaiti tanker convoys.

The Soviet long have maintained a naval base at Socatra Island off the north of Africa and owned by South Yemen, the Arab world's only Marxist state. After the Iraq-Iran war broke out in September 1980, they posted one or two warships outside Hormuz, the strategic entrance to the Gulf.

Apparent

The deployment of Soviet warships to the Gulf never was announced, but became apparent when two destroyers turned up in the waterway shortly after Iranian gunboats intercepted two Soviet cargo ships in September 1986.

In early 1987, Moscow agreed to lease three Soviet tankers to Kuwait and provide them with armed escorts.

The move, seen by some US

officials as part of efforts by Moscow to expand its influence in the oil-rich region, spurred the decision by US President Ronald Reagan's administration to reflag 11 Kuwait-owned tankers with the American flag.

One of the Soviet tankers, the 679,870-ton Marshal Chuikov, hit a mine off Kuwait on May 16, 1987. The incident was obscured the next day when the American missile frigate Stark was blasted by errant Iraqi missiles, killing 37 sailors.

Mines

Except for the Marshal Chuikov mining and a few reports of Soviet warships finding mines, US officials say they are not aware of any incidents involving the Soviet forces in the past 11/2 years.

The Soviets' Gulf force consists of destroyers, of the 7,900-ton Sovremenny class or the 8,000-ton Udaloy class, and Naryn or Yurka class mine sweepers. Foreign naval sources have said the ships are difficult to identify because the Soviets change hull numbers periodically.

Acquitted of running a brothel

THE Court of First Instance has acquitted two men charged with running a brothel and encouraging the plaintiff to commit adultery with a woman for money.

The plaintiff said that having gone to reclaim KD20 one of the defendants had borrowed, he was taken to a building where the second defendant worked as a guard. There he was told about a woman inside with whom he could spend the night for the 20 dinars.

He claimed that, although he refused the offer, he entered the building and saw a naked woman. The woman, however, stated that she had been looking for a house to rent and had entered the building simply to escape two men who had started chasing her, according to a police report.

The court suspected the plaintiff's testimony because of evidence of a dispute between the plaintiff and one of the defendants.

Most dust-storms occur between April and August

AN official at the Meteorological Department has said that according to statistics taken from 1962 to 1987, over 77 per cent of the dust-storms in Kuwait take place during five months of the year only.

The head of the Climatic Statistics Division at the department, Mahmoud Safar, said that the five months start in April and end in August, whilst the remaining seven months witnessed the other 23 per cent of the dust-storms.

Stressed

Safar said that it was very difficult to say whether dust-storms in Kuwait were either increasing or decreasing, but stressed that they were certainly worse than those affecting countries south of Kuwait. He said that low rainfall, strong winds and general instability in the weather were the main causes of the storms.

Safar went on to say that dust is constantly present in the

atmosphere, even when it is not clearly visible. He classified the more obvious manifestations as firstly, the true dust-storm, which influences Kuwait for 26 days a year (for 123 hours), secondly, the so-called "rising dust", a less intense form of storm, which affects Kuwait for 68 days (for 557 hours) and lastly a phenomenon known as "suspended dust", which affects the country for 54 days (for 393 hours).

Thus, Kuwait is effectively influenced by some form of dust for a total of 150 days a year, or 41.1 per cent of the year.

Quietest

Safar noted that storms were usually at their worst between noon and 5 pm and at their quietest between midnight and 6 am. He said that, according to recorded statistics, the storms were more prevalent between 1975 and 1984, with a total of 1,056 hours of strong storms,

than between 1965 and 1974, when only 895 hours of storms were recorded. He added that there were, however, fewer storms than average from 1985 to 1987.

According to available statistics from the Meteorological Department based on records from 1962 to 1987, the annual average number of hours during which dust-storms occurred in Kuwait was 200 hours, followed by July with 170 hours, which qualified them as the most severe months.

At the other end of the scale, the least severe month was November, with only 32 hours followed by December and January, with 39 hours each.

Safar concluded with a call for regional co-operation to find a solution to the problem of Kuwait's dust-storms.

Welfare houses rehabilitate juveniles

THE director of the juveniles department at Kuwait's Ministry of Social Affairs and Labour, Mohammed Rezouki, stated that welfare houses are not closed penal institutions, but were open houses.

Elucidating, he said, these institutions are aimed at rehabilitating male and female juveniles ranging from seven to 18 years of age. Welfare houses were designed to rehabilitate juveniles with special emphasis on psychological factors and considering the specific circumstances of each juvenile he added.

The official went on to explain that the houses provided juveniles with opportunities to build up a career, clothing and pocket money and that the state meets a large percentage of the juveniles financial and other requirements.

On the same subject, the supervisor at the Social Welfare House Ahmed Al Ameri said that the house had been set up for the reformation of delinquents and added there were three offices entrusted with social research, psychological services and collective services. Additionally, there were care, health, religious, educational and vocational services provided.

On a question as to the period a juvenile could spend in the care house, Al Ameri said this depended on the kind of offence the juvenile was accused of, but, the maximum period was ten years which could be commuted by the sentencing judge.

Municipality delegation

THE Minister of State for Municipal Affairs, Mohammed Al Rifai recently received in his office a delegation of union workers from the Municipality and general fire department headed by Musallam Al Barak.

Discussions centred on the social security fund and the Ministry also promised that the Amiri donation to firemen who took part in putting off the blaze at Ahmedi last year will be paid.

Carlucci defends use of Vincennes

WASHINGTON, July 25. (Reuters): Defence Secretary Frank Carlucci denied yesterday that the cruiser Vincennes, which shot down an Iranian civilian airliner on July 3, was the wrong ship to have in the sensitive Gulf region at the time.

"It is the best ship to deal with the Silk worm missile, and we had no real capability to cope with the Silk worm missile," Carlucci said in a television interview, adding the United States considered the Chinese-made missile that Iran possesses "a real threat" to shipping.

Down

The Vincennes mistook the Iranian airliner for a fighter and brought it down with missiles, killing 290 passengers.

Critics have said the Vincennes, with its sophisticated Aegis Electronics, was made for an ocean war rather than for

use in the crowded Gulf.

Carlucci said some of the 27-ship US force in the Gulf could be withdrawn if a successful ceasefire was negotiated between Iran and Iraq but he refused to set a timetable for reducing forces.

"We would certainly draw down as soon as feasible," he said, "we have no desire to be there any longer than is necessary but we will always maintain a presence in the Gulf."

"We've been there for 40 years and we don't intend to leave."

Credit

US warships would only stop escorting US-flagged vessels carrying on commercial business in the Gulf when "we judge it safe and prudent to do so," Carlucci said.

He credited the American military presence in the Gulf with having "a significant impact on

Iranian thinking" about continuing its war with Iraq. Iran agreed a week ago to accept a United Nations resolution calling for a ceasefire.

Carlucci said the United States was prepared to resume talks directly with Iran's government, "provided they designate somebody officially to talk to us and provided they don't want to talk about getting more arms or that kind of thing."

In response to questions, Carlucci said the United States was willing to talk with Iran about American hostages in the Middle East, some held by groups considered friendly to Iran.

But he emphasised, "I am not in the slightest suggesting that there would be any deal for the hostages."

"That is contrary to our policy."

Letter of support finally arrives

MANAMA, July 25. (AP): A letter signed by about 10,000 people expressing support for the captain and crew of the USS Vincennes finally reached the Gulf yesterday, after bouncing around in limbo for five days.

Sponsor

The letter, actually a bulky package weighing about 50 pounds, apparently went from San Diego, California to Sydney, Australia and then back to London before it landed here and was turned to US Navy officials.

The letter was not taken off an airliner that landed at Bahrain last Wednesday, and went on to

Sydney where it was later found and returned to London.

US Rep. Bill Lowrey, a California Republican, sponsored the signature-collection campaign last weekend to show citizen support for the Vincennes after it mistakenly shot down an Iranian jetliner, killing all 290 aboard, on July 3.

San Diego is the missile cruiser's port.

One navy source, who asked not to be named, said US officials were "not overjoyed" about the project even before the letter went astray, because it drew new attention to the jetliner tragedy just as an international furor over the incident was waning.

Driving schools likely to open in 1989

THE acting director-general of General Traffic Department, Colonel Salem Al Roumi, expects that driving schools will be opened at the end of 1989.

The new specialised schools are intended to replace the present private companies which have proved unqualified to impart proper training to learner drivers, he said.

Lack

The official added that most trainees who are taught at these schools are not qualified to drive cars as they lack sufficient information about traffic rules and systems.

The Municipality has designated four specialised sites for the new driving schools to be

located in the four governorates. On passing the different courses of training, they will be granted certificates which will enable them to appear for the official driving test. The new learning licences will be issued when the new schools are opened, he added.

Colonel Al Roumi disclosed that physicians, engineers, experts, teachers, consultants, lawyers and pharmacists can change their Arab and foreign driving licences for Kuwaiti driving licences, including citizens of GCC states.

Unified

The official said that a joint traffic committee from traffic departments of the GCC states has been set up to discuss different legal and technical particulars related to traffic in the GCC states, prepare a unified traffic law and the unification of number plates of cars in the GCC states.

Concluding, he said that relevant authorities are studying draft bills and projects to develop the public transportation system in the country.

Experimental station

AN official source at the Ministry of Public Works said that the experimental station is operating at full capacity.

The dyes and insulated materials analysis is one section that specialises in conducting tests and analysis on different dyes and insulated materials. Insulated materials are tested against heat and humidity and other characteristics according to set standards.

The source added that among the sections duties, tests on adhesive materials used in pipe fittings and other purposes are undertaken.

Iran hopes to improve ties with US after ceasefire

ABU DHABI, July 25. (AP): Iran's acceptance of a United Nations ceasefire call was prompted in part by hopes of better relations with the United States, the president of the Security Council was quoted today as saying.

Among the benefits Iran apparently anticipates would be a reassessment by Washington of its naval presence in the Gulf, Paulo Nogueira-Batista told the state-run newspaper Al Itihad. "Tehran and Washington were going ahead with a compromise toward each other, which may end with resumption of full diplomatic ties," Nogueira-Batista told the Abu Dhabi newspaper.

Comments

Nogueira-Batista, who spoke in English or Portuguese, is Council president for July. The Brazilian official's comments published were translated back into English by the Associated Press on the basis of the Arabic text.

Nogueira-Batista's argument

spun around the developments in the course of the Security Council debates on the July 3 downing of the Iranian Airbus by the US navy warship Vincennes in the Strait of Hormuz, in which 290 people perished. The debate ended with resolution 616 which expressed "deep distress" over the incident and urged rapid implementation of resolution 598.

Nogueira-Batista said that clauses calling upon all states to respect freedom of navigation and asking foreign naval forces to reassess their presence in the international waters were deleted only because of a difference in which order they should come.

Understand

"Each one wanted a different order of the two paragraphs but there was agreement on the language," he said. "When you have an agreement such a text, including this, you can understand how they could move to the other stage and accept 598," he said.

Resolution 598, which demands a ceasefire to the Iraq-Iran hostilities and outlines rules for a settlement of the conflict that broke out in September 1980, was passed last July 20. Iran only accepted the resolution unconditionally this July 18, opening the way for the final implementation of the peace terms.

Nogueira-Batista said that during the council debate on the downing of the Airbus "I was able to get from both parties (US and Iran) indications that there could be an interest in trying to explore points of convergence."

This not only helped reduce tensions between the two countries but also enhanced the relationship between Iran and the Security Council, opening the way for "the full co-operation of Iran in implementation of resolution 598," he said.

Nogueira-Batista said this co-operation was indicated by the Iranian Foreign Minister Ali Akbar Velayati who "in very careful diplomatic parlance"

said that the nature of the council reaction to the downing of the Airbus would play a very important role in the attitude toward Resolution 598.

He said he believed that Iran came to the Security Council hoping to isolate the United States at the international forum "but in the end, Iran realised it would be better for them to have something which would engage the United States."

Discussed

The debate on the Airbus provided forum for discussing all aspects of the Gulf war, he said. "We discussed everything (including) naval presence in the Gulf, we discussed the question of redress, and we also discussed the question of freedom of navigation in the Gulf," he said.

Nogueira-Batista noted that the United States showed "a disposition" a willingness to negotiate and that the council members accepted that negotiations should take place, involving Iran which is not a member of the council.

Images of farewell linger on

By Fathima Ahmed

THERE is an aura of uncertainty; of fear and of doom and silence — as Sapna bids a tearful farewell, urging Arjun to wait for her. "Will you wait for me?" she asks. "I will," he promises. They wait... But fate intervenes. The separation is longer than the expected 10 months, when Sapna would "walk into my arms as my bride." The darkness engulfs them, little lamps flicker in the background and a quietness reigns capturing their sense of loss, emptiness, anticipation and expectation. There is a longing in Sapna's eyes; fear in Arjun's... the image of Sapna and Arjun parting in Rukhsat (The Farewell) lingers on long after you have switched off the video.

Other images leave imprints on the mind — of fireworks, of cheerful innocence, of passionate romance, of pining, of hatred and self-destruction, and most of all, separation.

Actress-turned-director Simi Garewal has a rare sense of perception. Simi's mellow perception hits you with a bang, touching your heart, moving you deeply with her interpretation of the love story. She is a natural.

Women, it seems, make good directors. Others before Simi Garewal were Sai Parajyoti and Aparna Sen, both had an eye for detail.

Simi approaches the subject gently, tenderly, tentatively, surprising you with her depth of understanding. Emotions don't burst, they surface gradually. For instance, betrayal is dealt with delicately and with much sensitivity as she gingerly treads a volatile path. There is no needless melodrama, self-pity or black-mail. Yet, hatred and stony death surrounds Arjun, whose

transformation from an ordinary, hard working mechanic into a ruthless killer is handled carefully, and flows naturally as the film progresses.

Arjun hates the rich — they represent power and the cause of what he believes to be Sapna's betrayal. He becomes a merciless killer, a hardened criminal with a heart of steel. Yet, there is genuine tenderness in the man, lying dormant until the innocence of Komal, his love-child, rekindles the feeling of love and compassion in him.

Simi Garewal has packed much into Rukhsat — fear, anguish, pain, loss, fulfilment and redemption. Each emotion falls into place, blending with the same. Nothing seems forced, loud or out of context, such is the dexterity of Simi, the director and writer (she has written the story).

Mrs Talwar (Simi Garewal) tells Arjun that "Very soon, your pain will become a dream (sapna)." Yes, Arjun had a dream... nine years ago, when Arjun first met Sapna.

One sympathises with Arjun's loss and agony and Sapna's weariness when she fears for her husband Gautam's life. Simi, thus injects mystery into the theme, sustaining it until the end.

She handles romance tenderly, as if it were sacred. Sapna and Arjun's clandestine meetings, their indulgence in passionate romances and their promises of eternal (amar) love "Tera mere pyar amar", a promise that is broken forcing Arjun to question it — "Wafaa ka badla hai kyon bewafa?"

And, then there is suspense — the pall of gloom that pervades the home of the Saigals — Gautam and Sapna, after unsuccessful attempts to kill Gautam are made.

It is difficult to categorise Rukhsat into any one genre.

Simi Garewal has packed it with a wide range of action and emotion and is definitely aiming at commercial success. Rukhsat is a romantic tragedy, or perhaps a suspense thriller. It is certainly true to life and a moving experience.

Simi makes some compromises like the wham, bang sequences, yet "Lord have mercy" sticks in the mind after Arjun buries two goons in the graveyard. She has taken for granted the inefficiency of the police like all other Hindi film-makers, and they arrive only after the incident to pacify the bereaved. And just when you feel there is a lack of control in the climax, Simi once again surprises you with her handling of grief and the final separation — Rukhsat.

Rukhsat has been shot in India and the US. The lush greenery of the Indian hill resort Ooty and the concrete jungles of America are captured vividly.

Dr Rabi Masoon Raza's dialogue, Anjaan and Farooq Kaiser's lyrics, Kalyani-Anandji's music and Bashir Momin's editing and some superb camerawork add to the lustre of the format.

Janjaal

Mithun Chakraborty displays a rare degree of understanding of Arjun's dilemma, interpreting emotions intricately. Anuradha Patel as Sapna is fine. Marc Zuber in the role of Gautam seems ill at ease, perhaps due to his acting limitations. In one of the most explosive sequences (fireworks in the background symbolise inner turmoil of characters), Gautam seems almost relaxed to hear the truth about his daughter Komal's birth. Newcomer Baby Sona Sardesai as Komal is charming, poised and confident.



Anuradha Patel handles the complex role of Sapna with competence.

Video film-maker Hira is normally confident and in control, as is obvious in Kalank Ka Tika, Shingora, Abhishek, Khatarnak Irade and others. His latest film Janjaal spells trouble, not only for the protagonists Jagat-Guru (their attributes are too many to enumerate) but also for the viewers.

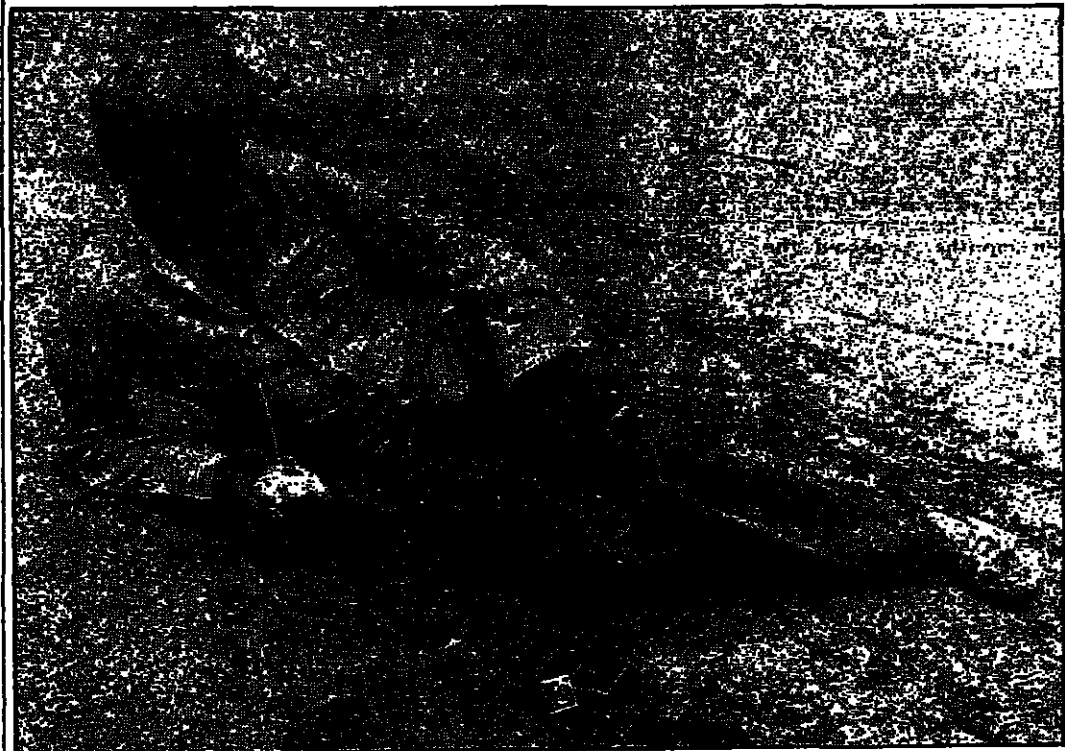
Janjaal is supposed to be a murder mystery. Two private detectives are framed for murder. Their job is to expose the real killer. The stuff for a nail-biting thriller. As it stands, it is

a poorly conceived, badly presented movie, patched together by non-existent clues, hyper-active detectives who detect nothing but trite facts; a lawyer who spends her days moaning. The only interesting character is Inspector Dayal, played by Vinod Nagpal, whose blood pressure rises at the sight of a private detective. Janjaal should be viewed only if there is nothing but football on KTV 2.

The above films are by courtesy of Athari Video, Main St., Farwania. Tel: 471-2900.



Mithun Chakraborty displays a deep understanding of Arjun's character.



Marc Zuber: Ill at ease

WHAT'S ON

ARTS

Tareq Rajab Museum

The museum in Jabriya houses a collection of Islamic arts, costumes and jewellery from the Muslim world. Summer timings are 9 am to 12 noon and 4 to 7 pm, Sat. thru Thurs. On Friday the museum is open only in the mornings.

Islamic Arts Museum

The museum, located on Arab Gulf Street, is open from 8.30 am to 12.30 noon and 4.30 to 7.30 pm, Saturday to Thursday. A collection of the finest Islamic art objects are on show.

Kuwait Science Museum

The museum will be open to the public from 5 pm on the second and third day of Eid Al Adha. After Eid, it will be open every evening from 5 pm and from 9 am on Friday.

SOCIAL

German-Speaking Cultural Association

The regular coffee mornings for ladies will continue on a small scale during the summer months. Coffee mornings will be held on Sunday, August 7 at Kuwait Hilton's La Patisserie from 10 am on those days. All German-speaking women are welcome.

Summer Belle '88

The United Goans Centre will hold their annual Summer Belle '88 contest on August 11 at the SAS Hotel's The Tent. The gala event marks the 10th anniversary of UGC. Entertainment includes music by Stepping Stones and City Limits. For further details contact Tony Gonsalves 2612024 or Joe Fernandes 5655140.

Onam Festival

The Viswabhathi Theatres, Abbassia, will celebrate Onam on Aug 25 at the Indian Arts Circle. IAC President M. Mathews will be the chief patron. The programme comprises Onam songs, Mohiniyattam, classical dances, Thiruvathirakali, folk dances, light music, one-act play, boat race and Kerala rural arts. Those interested in taking part contact Lazar Varghese — 4314511; Thomas Perumpilly — 4810490 ext. 207; Verghese Paradayil — 2422973.

IAC Ghazal Evening

The Indian Arts Circle (IAC) will hold a ghazal-cum-dance evening on July 28, Thursday, 7.30 pm, at the IAC, Fumatees, to celebrate Eid Al Adha. All IAC members and their guests are welcome. For entry passes contact — 3904817.

D'Assisi Association

The association will hold a social evening-cum-variety show on August 11 at Messilah Beach Hotel. The event is part of the 40th anniversary of Indian independence. Top Ranks and Next of Kin will be in attendance. For details contact Leena — 2469811, 9.30 am to 5 pm; Henry 3291909 (am), 3717346 (pm) or Augustin 5746754 after 6 pm.

YMCA

The YMCA will present the "Come September Ball" at the Kuwait Sheraton Hotel on September 1. Highlights include the selection of the Queen of Queens. Top Ranks will be in attendance.

HOTELS

At the Sheraton

Special buffet lunches and dinners will be featured in the Al Hamba restaurant during the Eid holidays. Authentic Lebanese cuisine is featured

every Sunday night; seafood specialities offered on Wednesday and a sumptuous buffet featured on Fridays. Entertainment provided by the Lords.

Dine in the Riccardo restaurant to enjoy Italian cuisine; music by the Sienna Duo. Riccardo is closed on Fridays. The Hunt Room will offer an Eid lunch buffet in Eid Al Adha in addition to a la carte. A selection of meat and fish dishes will be offered for lunch and dinner. Entertainment is provided by the solo harpist, Harp Dreams.

Le Tarbouche will offer lunch and dinner buffets featuring Arab cuisine during the Eid holidays.

At the Holiday Inn

Tropical melon delights are being promoted in various outlets at the hotel... Al Ahmadi Coffee Shop offers Continental and Arabic buffets for breakfast, lunch and dinner from 6 am to 1 am; a la carte also offered.

On Thursday, enjoy Oriental music and food at the Oriental Night at the Al Andalus Supper Club. Al Dana offers a special treat for children at the Friday brunch, open from 11.30 am to 3 pm, featuring games, gifts and lots of surprises.

At the Continental

The Gardenia will offer special dinner buffets featuring Arabic, Continental and Indian specialities, during the Eid holidays.

The Darbar offers a daily lunch buffet with a wide range of Indian kebabs and curries. A la carte for dinner.

At the Ramada

El Bender Coffee Shop offers continental and Arabic buffets for breakfast, lunch and dinner from 6 am to 12 midnight; a la carte also featured.

The Take-Away counter, open daily from 4 pm to 11 pm,

offers a selection of Arabic sandwiches and snacks. The Lobby Lounge offers a selection of coffee, tea, juice, cakes and pastries.

At the Meridien

La Brasserie offers Friday brunch from 12 noon to 4 pm; also open daily for breakfast, lunch and dinner. During the Eid holidays, the restaurant will offer special buffets featuring a selection of Arabic and European cuisine. Piano music will be provided.

Beat the summer heat with cool juices offered in the lobby lounge; musical entertainment is provided in the evenings.

At the Hilton

Falaka restaurant opens for dinner only during Eid holidays, from 7.30 pm to midnight offering buffet dinner and music by Magnetic Band.

Special Eid lunch and dinner buffets are featured at La Palma open from 6 am to 1 am. Refreshments and cakes at La Patisserie between 8 am and 1 am.

SPORTS

14th Winners Cup cricket tournament

The YMCA will hold the All Kuwait Open 14th Winners Cup cricket tournament, beginning September. It will be played on Fridays and holidays at the KOC ground, Ahmadi. Teams wishing to participate can contact Joe D'Sa. Tel: 3981790, 3-5 pm; 3924659, 5-8 pm.

PBAK bowling tournament

THE PBAK inter-commercial bowling tournament will be held in the second week of August. All companies wishing to take part are requested to register on or before August 7 at the 300 Club. For details contact PBAK director Sarah Macarimbang.

NIGHT CHEMIST

Kuwait
Al Sha'ab Pharmacy
Fahad Al Salem St.
Al Shariq Al Jadeed Pharmacy
Al Safat Souk, Opp. Science museum

Hawalli and Nigra
Al Naser Pharmacy
Hawalli, Tunis St.

Salniya and Ramathiya
Hibba Pharmacy
Salem Al Mubarak St.

Fahaeel and Ahmadi
Al Ithad Pharmacy
Fahaeel, Makkah St.

Jeeb Al Shiyookh
Palestine Pharmacy
Main St., Mounira Al Rajhi Bldg.

Jahra
Al Khalid Pharmacy
Opp. Jahra Co-op.

BBC HIGHLIGHTS

Omnibus: the Spanish Armada (July 26 and 27)

In July 1588 Phillip of Spain sent his Armada to reinforce an attempted invasion of England by a Spanish army from the Netherlands. Its defeat by England's fleet marked a turning point in history. Robert Milne-Tyte explains why in 'Omnibus', using contemporary written accounts to explain the importance of England's new naval strategy.

Parishes and Perestroika (July 29)

This year the Russian Orthodox Church celebrates its millennium. Bernard Jackson

TELEVISION PROGRAMMES



Tom Selleck stars in Magnum on KTV 2 at 8.40 pm.

KTV 1

- 9.00 Holy Quran
- 9.30 Space Adventure: cartoons
- 10.00 Ahlan Bil Eid: variety show
- 10.35 Al Asabah: Arabic play for children. Featuring Maryam Al Ghadban, Samir Qalaf, Huda Hussein, Sahar Hussein.
- 1.00 News Summary
- 1.05 World News via Satellite
- 1.35 Eidakum Mubarak
- 2.30 Al Kinah (The Mask): Arabic serial; part 3, starring Abdullah Ghaith, Ahar Al Hakim.
- 3.35 Bill and Sabastian: cartoon serial
- 4.05 Abqara Ala Waraqah Damgha: Arabic feature film. Starring Samir Ghannem, Susan Badr, Wahid Saif.
- 5.30 Tao Tao: cartoons
- 6.00 Summer 1988
- 7.00 World About Us
- 8.10 Religious talk
- 8.30 Wa Qalat Al Arab:

"And the Arab Said", Daily Arabic serial.

9.00 News in Arabic.
9.50 Al Husain: Arabic serial, part one: starring Samiha Ayub, Saad Arsadh, Tayseer Fahmi, Mohammad Al Arabi.
10.40 Nijoum Al Madinah: Arabic serial, part 1, featuring excerpts from Arabic films, hosted by Sakina Foad.
12.35 News Summary/World News via Satellite/Holy Quran/Closedown

KTV 2

- 6.00 Holy Quran
- 6.10 Rubik: cartoon series
- 6.30 Chocky: Chocky takes over when Polly falls into a river and rescues her. What amazes everyone is that Mathew (Chocky) has never learnt swimming.

- 7.00 The Australian Ark: "Life and Death on a Great Barrier Reef".
- 8.00 News in English
- 8.30 You and the Law: local programme
- 8.40 Magnum: "Autumn". One of Magnum's friends goes on a camping trip and escapes an attempt on his life. Starring: Tom Selleck.
- 9.30 Les Faucheurs de Marguerites: French series about aviation.
- 10.00 Perfect Strangers: "Up on the Roof". Balki and Larry go on a photography expedition and climb the tallest skyscraper... comedy.
- 10.30 Black and White Feature Film: "Dangerous Summer".
- 12.08 News Summary/Magazine D'Actualite/Closedown

Please note that programmes and timings are liable to change without notice.

RADIO PROGRAMMES

English

- Morning
- 0800 Opening
- 0802 Songs and Music
- 0805 Thoughts in Islam
- 0830 News
- 0845 Songs and Music
- 0845 Daily Programme
- 0900 Songs and Music
- 0930 They Sold a Million
- 1000 Our Press Today
- 1005 Songs and Music
- 1100 Closedown
- 1330 News on FM Service
- Evening
- 2100 Opening
- 2102 In the Latin Mood
- 2130 News
- 2145 Point of View
- 2155 Songs and Music
- 2200 On Islam
- 2215 In the Groove
- 2245 Daily Programme
- 2300 Hit Special
- 2330 Jazz in Action
- 2400 Closedown

BBC World Services

- 0000 World News
- 09 News about Britain
- 15 Radio Newsweek
- 30 Music in Australia (ex 26th Beethoven)
- 0100 News Summary followed by Outlook
- 30 Short Story
- 45 5th and 12th The Best Day of Your Life: 19th and 26th The Seven Ages of Shakespeare
- 0200 World News
- 09 British Press Review
- 15 Newsweek UK
- 30 Pilgrim's Progress
- 0300 World News
- 09 News about Britain
- 15 The World Today
- 30 John Peel

- 0400 Newdesk
- 30 A Schubert Anthology
- 45 Reflections
- 50 Financial News
- 0500 World News
- 09 Twenty-Four Hours: News Summary
- 30 New Ideas
- 40 Book Choice
- 45 The World Today
- 0600 Newdesk
- 30 Countdown
- 0700 World News
- 09 Twenty-Four Hours: News Summary
- 30 5th and 12th The Best Day of Your Life: 19th and 26th The Seven Ages of Shakespeare
- 45 Network UK
- 0800 World News
- 09 Reflections
- 15 Health Matters
- 30 Music of the Royal Courts (ex 26th Beethoven)
- 0900 World News
- 09 British Press Review
- 15 The World Today
- 30 The Financial News followed by Sports Roundup
- 45 Glyndebourne — The Early Years
- 1000 News Summary followed by Pop Science Programme
- 30 Pilgrim's Progress
- 1100 World News
- 09 News about Britain
- 15 5th and 12th Sportsweek: 12th and 19th Waveguide
- 25 5th and 26th Sportsweek: 12th and 19th Book Choice
- 30 Citizens
- 1200 Radio Newsweek
- 15 Multitrack 1: Top 20
- 45 Sports Roundup
- 1300 World News
- 09 Twenty-Four Hours: News Summary
- 30 7th and 14th Network UK: 45 5th and 26th Sportsweek: 12th and 19th Recording of the Week
- 1400 Outlook, opening with 5-Min.

FM Services

- 0800 Easy Listening
- 0830 News
- 0840 Easy Listening
- 1000 Songs and Music
- 1300 Easy Listening
- 1330 News
- 1400 Classical Music
- 1600 Easy Listening
- 1700 Italian Hour
- 1800 Pops
- 2130 Pops
- 2145 Pops
- 2200 Indian Classical Hour
- 2300 Easy Listening
- 2400 Instrumental Music
- 0200 Closedown

Urdu

- 1900 Opening
- 1910 Beheten Qaul
- 1916 Programme Preview
- 1920 Songs
- 1935 Press Report
- 1940 Radio Club
- 2000 News
- 2020 Songs
- 2040 Jahan Numan
- 2100 Closedown

CINEMA TODAY

Al Andalus
Rambo III
Starring: Sylvester Stallone
Al Salamiya
Al Jazira Theatre
performance for Eid
Al Hamra
Steel Dawn
Drive-In
Asdiqah Al Shaitan
(Arabic)
Starring: Noor Al Shariff, Farid Shawki
Al Firdous
Aakhri Adalat (Hindi)
Starring: Vinod Khanna, Nirmal Kapadia, Jackie Shroff
Al Fahaeel
Al Fatimat Al Maqalat
(Arabic)

Fahaeel Open-Air
Mardon Wali Boat (Hindi)
Granata
Cherry 2000
Sulabikhat
Delta Force Commando
Al Jeeb
Awara (Bengali)
Ahmadi Drive-In
Laila Al Kabb Ala Bakaiza
Wa Zaghloul (Arabic)

PRAYERS

- Fajr 3.35 am
- Zuhr 11.54
- Asr 3.30 pm
- Maghreb 6.43
- Isha 8.11

EDITORIALS

ARAB TIMES

Thought for today

FAME always brings loneliness. Success is as ice-cold as the North Pole — Vicki Baum, Austrian-born writer (1888-1960).

Uprising takes a heavy toll

Palestinians feel financial pinch

By Roni Rabin

BETHLEHEM, Occupied West Bank (AP): Palestinians are feeling a financial pinch after more than seven months of self-imposed commercial strikes and a boycott of jobs in Israel.

But many say they are managing to make ends meet by co-operating with each other, raising their own food and passing up large purchases. Pro-Palestinian organisations abroad also have helped by stepping up contributions to the occupied territories.

Although some Palestinians participate in commercial strikes under pressure and threats from local leaders, others say the sense of pride they gain from their rebellion makes the financial difficulties manageable.

At a summit in Algiers in June, Arab leaders pledged \$120 million in financial backing for the uprising for the last four months of this year and \$40 to \$50 million after that.

The funds are distributed by an elaborate underground network that aids some of the needy and pressures wealthier Palestinians to serve the national cause by forgoing profits and rent collection.

Many contributions enter the territories clandestinely. Israel, desperate to cut off the cash flow, passed new regulations recently making it illegal for Arabs entering the country to bring in more than \$1,200 each.

Despite the financial help, many Palestinians are still suffering.

Western economic observers say the uprising has cost Palestinians \$330 million, about 20 per cent of the \$1.65 billion Gross National Product of the territories.

Since the uprising began Dec 8, Palestinian stores have opened only three hours a day. And at least once a week the underground leadership calls for a complete general strike.

In addition, an estimated 20 to 25 per cent of the 120,000 Palesti-

tinians who once had Israeli jobs have quit, according to Israel's Labour Ministry. Half of all Gaza workers and one-third of the West Bank's work force are employed in Israel.

In Ramallah, a Palestinian town 15 miles (24 kilometres) north of occupied Jerusalem, most stores that sell electronic goods and furniture do not open at all anymore and a drop in tourism has driven souvenir stores and hotels into near bankruptcy.

"People want only the very essential stuff: sugar, rice, flour, canned goods, dried yogurt," said Mustafa Abu Zahra, who said he is selling about 60 per cent less in his occupied Jerusalem dried goods since the uprising began. He refused to disclose his monthly income.

Palestinian farmers, too, are hurting. Military restrictions such as extensive curfews, which bar residents of an area from leaving their homes, have prevented villagers from irrigating and harvesting crops.

In the West Bank village of Beit Ummar, the military government blocked farmers from Jordan after an attacker threw a firebomb, seriously burning a soldier, said Olivier Rafowitz, a military government spokesman.

The grassroots Palestinian self-help system, run by local committees under the guidance of underground Arab leaders, has provided some help.

Local leaders have exerted pressure on Arab employers not to lay off workers, and workers whose pay has not been affected by the uprising are asked to make sacrifices, said an Arab labour organizer who spoke on condition of anonymity.

Local committees also provide some food and other basics to those families whose breadwinners have been killed, injured or imprisoned in the rioting, said a committee activist who also spoke on condition of anonymity.

Distrust and enmity pose immense problems

UN team faces difficult task arranging a ceasefire

By Stephen Jukes

BAHRAIN, (Reuters): Distrust, enmity and vast claims for war damages pose immense problems for a UN advance team trying to work out details of a rapid ceasefire to halt the Iran-Iraq war.

Diplomats and analysts said the team of about 10 envoys, instructed by UN chief Javier Perez de Cuellar to visit Baghdad and Tehran, will run up against an Iraqi government in no mood for compromise.

"The Iraqis could play it very hard," said one Gulf-based diplomat.

"Saddam Hussein's government obviously feels it is in a position of strength and may want to hold out for an agreement on its own terms."

As if to reinforce this, the Iraqi Foreign Ministry said on Thursday Iran's refusal to hold direct

peace talks was a rejection of the Security Council's ceasefire resolution.

"Iran's rejection of the proposal, presented by Iraq to the UN Secretary General on Wednesday, is a categorical rejection of item 4 of Security Council resolution 598," ministry under-secretary Wisam Al Zahawi told the INA News Agency.

Co-operate

Item 4 of the year-old resolution calls for both sides to co-operate on a ceasefire and in mediation to achieve a "comprehensive, just and honourable settlement." It does not refer specifically to direct talks which Iran says are not necessary.

Diplomats now say that with vast sums in reparations at stake, Iraq could be manoeuvring to dictate peace terms and avoid an impartial inquiry into responsibility for the war also foreseen

under the UN ceasefire order.

The UN team, headed by a Norwegian Lieutenant-General Martin Vadset, is due to spend no more than a week talking to authorities in Iran and Iraq, but neither has given any pledge to halt fighting before formal implementation of a ceasefire.

Iran accused Iraq of shelling border villages on Thursday.

Defensive

Riding the crest of a wave of military victories, Iraqi President Saddam Hussein and his Foreign Minister Tariq Aziz have already set a number of points for peace which diplomats say are inconsistent with the UN ceasefire resolution.

"There is a suspicion the Iraqis will pick the bits of the resolution they want," said one diplomat. "They are moving the point of reference, or, more bluntly, clouding the issues."

Iran, which accepted the UN ceasefire call last week in a dramatic about-turn, is now seen as very much on the defensive, raising hopes in the war-depressed Gulf states which generally back Iraq that Tehran is serious in seeking peace.

"With hundreds of thousands dead, the economy in tatters, a war-weary population, vanishing oil revenues and a collapsing Army, the (Iranian) mullahs have many questions to answer and no alternative to peace," said the Bahrain-based Gulf Daily News.

Perez de Cuellar said in New York on Wednesday the report of the military team, accompanied by a political officer, should put him in a position to announce promptly a "D Day" to start implementation of the UN resolution.

While the team is expected to

concentrate on technical details — setting dates, discussing troop withdrawals and arranging how observers will monitor a ceasefire — it is already clear a longer-term solution will not be easy.

Diplomats suspect that from a position of strength Baghdad may try to circumvent provision 6 of the resolution calling for the secretary-general to explore the possibility of asking an impartial body to inquire responsibility for the war.

Reparations

That is likely to prove to be a thorny point, raising the spectre of immense reparations expected to be demanded by Iran to make good damage inflicted by waves of air strikes against oil refineries and Kharg Island terminal at the head of the Gulf.

Tehran has mentioned no figures, but diplomats said a good indication was its warning last October it could sue the

United States for \$500 million in damages after US forces in the Gulf attacked Iranian oil platforms and Navy vessels.

Baghdad also gave a hint of the huge sums involved as long ago as 1985 when it lost a court case to force Syria to reopen an oil pipeline to the Mediterranean closed to Iraqi oil exports three years earlier. Iraq claimed then the decision was costing \$9 billion a year in lost revenue.

Neither the Iraqi leader nor his foreign minister have mentioned the impartial inquiry during the diplomatic flurry of the past days, but Iran is unlikely to let it drop.

After negotiations with the UN broke down late last year, Iran's Foreign Minister Ali Akbar Velayati wrote to Perez de Cuellar saying "assessment of damages should be comprehensive and inclusive of all damages incurred."



"DICK THORNBURGH'S GONNA HAVE A TOUGH TIME FILLING ED MEESE'S SHOES!"

By John Reichertz

WASHINGTON, (Reuters): There is silence in Washington over Mexico's new democracy, ushered in by a populist surge at polls which the ruling party had dominated for 60 years.

US officials have not uttered a word on Mexico's controversial presidential elections since Carlos Salinas de Gortari of the ruling Institutional Revolutionary Party (PRI) claimed the narrowest victory in PRI history two weeks ago.

Political analysts said the silence from Washington — which lavishes criticism on the rest of Latin America over human rights and democracy — highlights the sensitivity of its relations with a Third World neighbour fearful of being treated as the United States' backyard.

It is a dilemma likely to be heightened by a new era of democratic pluralism in Mexico.

"Salinas will be the first president coming to office in 70 years whose power is widely questioned by the people," said Adolfo Aguilar Zinser, a political science professor at the National University of Mexico.

Turmoil

The slightest hint of US involvement in internal politics "would lead to a lot of turmoil in Mexico," he added.

A coalition by Cuauhtemoc Cardenas led Mexico's left to its first major electoral showing, with a populist message which captured significant peasant and urban support.

He and conservative candidate Manuel Clouthier claim electoral fraud was widespread in the July 6 polls. Official results gave Salinas 50.4 per cent and Cardenas 31.1 per cent.

Most analysts say Washington's greatest fear is that political instability will mar a transition to full democracy.

"I think we all realise there are certain risks to democracy in Mexico," Delal Baer, a Latin American expert at the Centre for Strategic and International Studies, told Reuters.

"But they are better than the risks of the closed system that we've had up to now, where social pressures could decompress in an explosive burst," she said.

John St John, the State Department's Mexico desk chief, listed Mexico as one of Washington's top foreign policy concerns.

Mexico-American relations sensitive



Carlos Salinas de Gortari

"For over 60 years Mexico has been a stable and non-militarised neighbour," he said.

But the relationship, custom tailored and cautiously nursed, has been mostly cold on the surface.

Resentment lingers from 19th century fighting in which Mexico claims to have lost nearly half its territory to the United States.

This and the stark contrast between Mexico and the world's richest economy has often led Mexicans to view the United States as an insensitive, imperialist colossus.

Mexico's \$105 billion foreign debt, the waves of Mexican job seekers crossing the border illegally and the production and trafficking of drugs all strain relations.

Complicated

Aguilar said: "I am encouraged by the fact that the United States has chosen silence in response to the elections. I am discouraged that many in the United States have simplified the message of the left."

Susan Kaufman Purcell, director of the Latin American programme at the Council on Foreign Relations, said that in the past, "anti-Americanism to a certain extent has been useful in building internal political support."

It did not play a major role in the recent campaign and is not likely to do so under Salinas, she

said. But, she added: "I think it is always more complicated to deal with a multi-party state than a single-party state."

Aguilar, who is also senior associate of the Carnegie Endowment, said Salinas would have to tread lightly in his dealings with Washington, limiting relations to the level of problem-solving, "or else it will be devastating for him."

Mexican embassy spokesman Leonardo French said both countries must remember that their 2,000-mile (3,200 km) common border "can be the source of co-operation that both countries ought to foster, as well as differences and disputes that should be avoided for the benefit of the two sides."

Baer said: "Salinas may take the bull by the horns and say enough is enough... that Mexico can't base its policies on anti-Yankee sentiment. It would be nice if we could bring rhetoric into line with reality."

By John Rice

BAGHDAD, (AP): This is the season of celebration in Iraq, the time of the year's great religious feast, of drum-beating wedding parties, of sports fans marking victory with machine-gun fire.

But there is little sign of jubilation over Iran's acceptance of a ceasefire in a war that has cost Iraq hundreds of thousands of casualties.

"There was nothing. No reaction," said a European diplomat who was in Baghdad when Iran announced it had accepted the ceasefire Iraq has sought for at least six years.

Iraq's government and people seem deeply suspicious of Iran's decision, and the government is insisting that any ceasefire be tied to a final end of the nearly 8-year-old war.

There have been none of the parades, celebrations and television specials that typically greet Iraqi victories on the war front.

Silent

"I really want the guns to fall silent and for my dear husband to come home," said Suad Mousa, a 34-year-old mother of three whose husband has been in the Army since 1980.

"When the Iraqis said they would accept the UN (ceasefire) resolution, I really thought that the war was finally over," she added. "But it seems now it will take weeks and probably months before he will be back."

The official news media and the ruling Baath Party have encouraged such caution. The

party urged its members in the military to stress vigilance at the war front.

The Army has continued to fight.

It announced Thursday night the recapture of 33 northern hills lost to Iran in the early days of the war. Iran reported that Iraq had pushed 20 kilometres (12 miles) into Iran on Friday and occupied the border towns of Khosrawi, Qasr-e Shirin and Sar-e Pol Zahab. Iran said Iraq had used chemical weapons in the attack and that 5,000 Iraqis were killed.

Exult

Iraqis clearly are willing to exult if they find reason. Jubilant Baath Party members lit the night sky over Baghdad with fusillades of tracer bullets Thursday to celebrate Iraq's victory over rival Syria in the Arab Soccer Championship.

Wedding parties tooted horns and banged drums through the capital's streets. Iraqis everywhere bought sheep for slaughter and celebrated the Eid Al Adha feast that marks the end of Islam's pilgrimage season.

But celebration over the war will have to await a final peace, according to Iraqis and diplomats here. Diplomats said Iraqis are wary of Iran's announcement in part because of a distrust rooted in thousands of years of conflicts between Arab Iraq and Persian Iran.

Government officials also fear Iran might want a ceasefire only for breathing space in which to rebuild their armed forces, which

have suffered a series of battle-front defeats this year.

That fear was fed by Iranian statements that a ceasefire does not mean the end of the war, which Iran's Ayatollah Khomeini sees as a crusade to spread his own vision of Islam.

Reject

Iraq itself rejected suggestions it accept a simple ceasefire two years ago when its own forces were being battered near the southern city of Basra, and many outsiders felt collapse was possible.

They would "certainly not" accept a ceasefire without full peace now that they have the upper hand, said a Western diplomat who recently talked with Iraqi officials.

He said Iraq has insisted on direct peace talks with Iran as "a token of serious purpose."

Western diplomats said Iraq remains nervous because Iran has not been beaten and could recoup its military might within several years. Also, the Islamic fundamentalists who govern the country remain in control.

But even if they are not ready to celebrate, Iraqis are ready for the war's end.

"I am an old man," said 68-year-old Mahmoud Shaker, manning the counter of an automobile parts shop. "I have been running the shop for four years, since my elder son was conscripted. I am really tired and I want him back to the shop and with the family."

Strongman Ne Win reduced Burma to abject poverty

RANGOON, (Reuters): Ne Win dominated Burma for some 26 years, eight as president, but reduced the one-time rice bowl of Asia to one of the world's poorest states.

He resigned as president in November 1981, citing old age and creeping debility, but kept ultimate power from his chosen successor San Yu by remaining chairman of the military-dominated ruling Burma Socialist Programme Party (BSPP).

The former general formed his political ideas in the 1930s, when Burmese nationalists challenged British colonial rule and tried to end the stranglehold of Indians and Chinese on trade and business.

Resentment of economic control by foreigners persisted. Ne Win insisted on self-reliance and eschewed foreign investment that helped states like neighbouring Thailand develop quickly.



Ne Win

After seizing power in a bloodless coup in 1962, he sought military rather than political solutions to a dozen ethnic and ideological rebellions that dogged Burma since independence from Britain in 1948.

Years of power underpinned by a ruthless all-pervasive security service isolated Ne Win from the people.

Abjuring a personality cult, he nevertheless established one-man rule through his military-backed Socialist-Buddhist philosophy and use of the media as organs of propaganda.

A rigid vertical command structure caused enormous delays as frightened officials postponed even quite trivial decisions until sure of approval from the top, though institutionalised corruption and black markets flourished unhindered.

In 1987, amid overwhelming evidence of economic and social decay, he conceded mistakes and began tinkering with a stifling and corrupt state-run system.

Efforts to liberalise led to increased tension and students, traditional agents of protest, led violent protests in March and June 1988 that spread throughout Burma and flared sporadically into July.

Diplomats said more than 200 people were killed. Earlier this week the home minister resigned and the capital's police chief was sacked after a belated admission that 41 detainees suffocated to death in a police van.

Student riots in 1974 and a

failed military coup in 1977 were the only previous big public shows of opposition.

In the early years the tall, bespectacled Ne Win sought to establish a system answerable to the people. "A lesson we should draw," he said in 1965, "is that those who wield power must always be on guard against its corruptive influence."

He relinquished the presidency in 1981, saying: "Old age, debility and death befall all human beings. In awareness of this one ought to transfer responsibility in due course to ensure a smooth transition."

Continuing control was displayed in 1983 when he purged his longtime trusted lieutenant and heir apparent Tin Oo, head of the intelligence service.

Ne Win was born Shu Maung on May 24, 1911, in Prome district some 180 miles (290 km) north-west of the capital. He studied medicine at Rangoon University for two years but failed his exams and became a Rangoon post office clerk.

By 1940 he had drifted into the Thakins anti-British revolutionary group and was one of the "30 comrades" who left secretly for Japan that year and were given military training to fight with the Japanese forces who invaded Burma in 1941.

Shu Maung changed his name to Ne Win — brilliant sun — and became a colonel. When Japan declared Burma independent in 1943 he became Army commander-in-chief under Defence Minister General Aung San, who was assassinated in 1947.

Early in 1945 the Burmese Army turned against the Japanese and went underground. Ne Win and his colleagues were treated as "patriotic Burmese Forces" by the returning British, who reorganised the Army and made him a battalion commander.

In the years following independence from Britain in 1948, Ne Win fought against Karen, Kachin, Shan and other ethnic rebels demanding autonomy in the border regions.

Dear Junior Readers,

Not so long ago, I wrote about how waiting can make some people very cross. Well, I am beginning to think that in weather like this, not only waiting but everything can make everybody very cross! People who are normally very calm and sweet-tempered become grumpy and irritable and explode about things that would not usually bother them. Everything is wrong and everyone else certainly gets to know about it. Like snarling dragons, they stamp around breathing fire on anyone foolish enough to get in their way.

If you are one of those people who can stay as cool as a cucumber in this heat, congratulations! If, on the other hand, you have spent the summer behaving something like Mount Etna, my only advice is, do your best to stay calm and just hope that winter is early this year!

Auntie Jayne

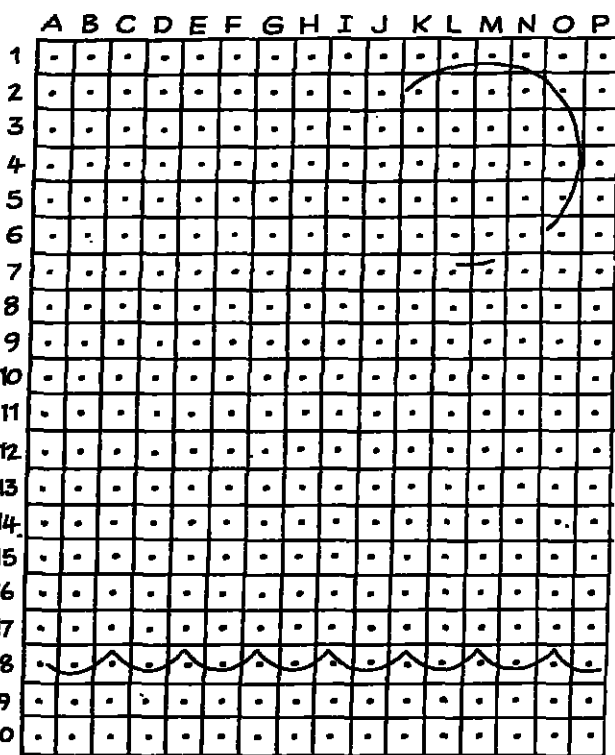
Solution to Thursday's crossword

Across: 1 Safe, 5 David, 6 Ragged, 7 Paw, 8 Control, 9 Won, 11 Police, 12 Honey, 13 Heap.

Down: 1 Surf, 2 Lagoon, 3 Lad, 4 Final, 5 Destroy, 7 Polite, 8 Colon, 10 Leap, 11 Peg.

Dot drawing

USE A COLOURED PENCIL OR PEN. FOLLOW THE INSTRUCTIONS TO DRAW THE MYSTERY PICTURE.



Every dot has a number and a letter. Join them up in the following order: 1-10, 11-20, 21-30, 31-40, 41-50, 51-60, 61-70, 71-80, 81-90, 91-100, 101-110, 111-120, 121-130, 131-140, 141-150, 151-160, 161-170, 171-180, 181-190, 191-200, 201-210, 211-220, 221-230, 231-240, 241-250, 251-260, 261-270, 271-280, 281-290, 291-300, 301-310, 311-320, 321-330, 331-340, 341-350, 351-360, 361-370, 371-380, 381-390, 391-400, 401-410, 411-420, 421-430, 431-440, 441-450, 451-460, 461-470, 471-480, 481-490, 491-500, 501-510, 511-520, 521-530, 531-540, 541-550, 551-560, 561-570, 571-580, 581-590, 591-600, 601-610, 611-620, 621-630, 631-640, 641-650, 651-660, 661-670, 671-680, 681-690, 691-700, 701-710, 711-720, 721-730, 731-740, 741-750, 751-760, 761-770, 771-780, 781-790, 791-800, 801-810, 811-820, 821-830, 831-840, 841-850, 851-860, 861-870, 871-880, 881-890, 891-900, 901-910, 911-920, 921-930, 931-940, 941-950, 951-960, 961-970, 971-980, 981-990, 991-1000, 1001-1010, 1011-1020, 1021-1030, 1031-1040, 1041-1050, 1051-1060, 1061-1070, 1071-1080, 1081-1090, 1091-1100, 1101-1110, 1111-1120, 1121-1130, 1131-1140, 1141-1150, 1151-1160, 1161-1170, 1171-1180, 1181-1190, 1191-1200, 1201-1210, 1211-1220, 1221-1230, 1231-1240, 1241-1250, 1251-1260, 1261-1270, 1271-1280, 1281-1290, 1291-1300, 1301-1310, 1311-1320, 1321-1330, 1331-1340, 1341-1350, 1351-1360, 1361-1370, 1371-1380, 1381-1390, 1391-1400, 1401-1410, 1411-1420, 1421-1430, 1431-1440, 1441-1450, 1451-1460, 1461-1470, 1471-1480, 1481-1490, 1491-1500, 1501-1510, 1511-1520, 1521-1530, 1531-1540, 1541-1550, 1551-1560, 1561-1570, 1571-1580, 1581-1590, 1591-1600, 1601-1610, 1611-1620, 1621-1630, 1631-1640, 1641-1650, 1651-1660, 1661-1670, 1671-1680, 1681-1690, 1691-1700, 1701-1710, 1711-1720, 1721-1730, 1731-1740, 1741-1750, 1751-1760, 1761-1770, 1771-1780, 1781-1790, 1791-1800, 1801-1810, 1811-1820, 1821-1830, 1831-1840, 1841-1850, 1851-1860, 1861-1870, 1871-1880, 1881-1890, 1891-1900, 1901-1910, 1911-1920, 1921-1930, 1931-1940, 1941-1950, 1951-1960, 1961-1970, 1971-1980, 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8351-8360, 8361-8370, 8371-8380, 8381-8390, 8391-8400, 8401-8410, 8411-8420, 8421-8430, 8431-8440, 8441-8450, 8451-8460, 8461-8470, 8471-8480, 8481-8490, 8491-8500, 8501-8510, 8511-8520, 8521-8530, 8531-8540, 8541-8550, 8551-8560, 8561-8570, 8571-8580, 8581-8590, 8591-8600, 8601-8610, 8611-8620, 8621-8630, 8631-8640, 8641-8650, 8651-8660, 8661-8670, 8671-8680, 8681-8690, 8691-8700, 8701-8710, 8711-8720, 8721-8730, 8731-8740, 8741-8750, 8751-8760, 8761-8770, 8771-8780, 8781-8790, 8791-8800, 8801-8810, 8811-8820, 8821-8830, 8831-8840, 8841-8850, 8851-8860, 8861-8870, 8871-8880, 8881-8890, 8891-8900, 8901-8910, 8911-8920, 8921-8930, 8931-8940, 8941-8950, 8951-8960, 8961-8970, 8971-8980, 8981-8990, 8991-9000, 9001-9010, 9011-9020, 9021-9030, 9031-9040, 9041-9050, 9051-9060, 9061-9070, 9071-9080, 9081-9090, 9091-9100, 9101-9110, 9111-9120, 9121-9130, 9131-9140, 9141-9150, 9151-9160, 9161-9170, 9171-9180, 9181-9190, 9191-9200, 9201-9210, 9211-9220, 9221-9230, 9231-9240, 9241-9250, 9251-9260, 9261-9270, 9271-9280, 9281-9290, 9291-9300, 9301-9310, 9311-9320, 9321-9330, 9331-9340, 9341-9350, 9351-9360, 9361-9370, 9371-9380, 9381-9390, 9391-9400, 9401-9410, 9411-9420, 9421-9430, 9431-9440, 9441-9450, 9451-9460, 9461-9470, 9471-9480, 9481-9490, 9491-9500, 9501-9510, 9511-9520, 9521-9530, 9531-9540, 9541-9550, 9551-9560, 9561-9570, 9571-9580, 9581-9590, 9591-9600, 9601-9610, 9611-9620, 9621-9630, 9631-9640, 9641-9650, 9651-9660, 9661-9670, 9671-9680, 9681-9690, 9691-9700, 9701-9710, 9711-9720, 9721-9730, 9731-9740, 9741-9750, 9751-9760, 9761-9770, 9771-9780, 9781-9790, 9791-9800, 9801-9810, 9811-9820, 9821-9830, 9831-9840, 9841-9850, 9851-9860, 9861-9870, 9871-9880, 9881-9890, 9891-9900, 9901-9910, 9911-9920, 9921-9930, 9931-9940, 9941-9950, 9951-9960, 9961-9970, 9971-9980, 9981-9990, 9991-10000.

Part three

"That's Nag or Nagaina," he said to himself, "and he is crawling into the bath-room sluice. You're right, Chuchundra; I should have talked to Chua."

He stole off to Teddy's bath-room, but there was nothing there, and then to Teddy's mother's bath-room. At the bottom of the smooth plaster wall there was a brick pulled out to make a sluice for the bath-water, and as Rikki-tikki stole in by the masonry curb where the bath is put, he heard Nag and Nagaina whispering together outside in the moonlight.

"When the house is emptied of people," said Nagaina to her husband, "he will have to go away, and then the garden will be our own again. Go in quietly, and remember that the big man who killed Karait is the first one to bite. Then come out and tell me, and we will hunt for Rikki-tikki together."

"But are you sure that there is anything to be gained by killing the people?" said Nag.

"Everything. When there were no people in the bungalow, did we have any mongoose in the garden? So long as the bungalow is empty, we are king and queen of the garden; and remember that as soon as our eggs in the melon-bed hatch (as they may tomorrow), our children will need room and quiet."

"I had not thought of that," said Nag. "I will go, but there is no need that we should hunt for Rikki-tikki afterward. I will kill the big man and his wife, and the child if I can, and come away quietly. Then the bungalow will be empty, and Rikki-tikki will go."

Rikki-tikki tingled all over the with rage and hatred at this, and then

Rikki-tikki-tavi



BUSINESS & FINANCE

'The dream is to be the Hong Kong of the 21st century'

Dubai businessmen look for boom if war ends

DUBAI, July 25, (AP): Businessmen in this free-wheeling, free-trading port say they hope an end to the Gulf war will replace the thunder of explosions on their seaways with a boom in their economy.

"It would be just like the klondike," said Mercedes Benz dealer Stan Robinson, referring to the 19th century Alaska gold rush.

Dubai has combined modest oil income with a centuries-old merchant tradition to make itself the major port in the southern Gulf, the most important local trading partner of Iran.

Strength
"The dream is to be the Hong Kong of the 21st century," said Sultan Ahmed Bin Sulayem, chairman of Dubai's massive Jebel Ali free zone, a \$2.5-billion facility that includes what Dubai says is the world's largest man-made harbour.

The city-state is already a

major transit point for cargo — much of it heading across the Gulf to Iran. That flow collapsed in the early years of the war and is just now recovering its former strength.

Although Dubai has weathered the war and a dropoff in Gulf oil revenues, most businessmen believe "the end of the war will be positive," said Daniel Greenwald, executive vice-president of the American Business Council of Dubai.

Investments
Shipping officials in Dubai, who insisted on anonymity, said that while Dubai has gained revenues repairing war-damaged ships, it has also lost business at its container ports and at shipyards.

"You can go to a hell of a lot of places for a half a million dollars," said one, referring to the cost of war-risk insurance in the Gulf for a big container ship.

Greenwald said the proximity of war also has probably deterred some businessmen from making major investments in Dubai.

Many traders are also hoping Dubai's historic role as a transit route for Iranian cargo will carry on as Iran reconstructs after the war.

Even during the war, thousands of Iranians a month fly into Dubai international airport, the busiest in the Middle East, to shop in Dubai's famed souks, or markets.

Flights
The Iranian jetliner shot down by a US warship July 3 in the Gulf was on one of those flights. All 290 people aboard the Airbus

were killed. The waterfront along the creek, an inlet that splits Dubai's urban sprawl, is piled with new washing machines, tires, car parts and sometimes whole cars destined for Iran aboard the hand-built little wooden dhows that ply the Gulf.

The Iranians are part of an exotic mixture of visitors and expatriates from India, Pakistan, the Philippines and the West who outnumber locals at least 2-1 in the population of 490,000.

Security
Many of the expatriates are lured by Dubai's tolerance, its high-rise hotels feature British-style pubs, Lebanese nightclubs and Japanese restaurants.

Entertainment ranges from a grassy golf course to ice rinks, complete with an ice hockey league.

Dubai is also tax-free, and relatively free of the red-tape and

oppressive security. "It's like utopia," said Robinson, who is among Dubai's more enthusiastic backers.

But the lack of local labour means companies must import workers, often from Sri Lanka or India, at wages of \$140 to \$220 monthly for an unskilled worker.

Responsible
Dubai's location midway between Europe and the Far East has made its airport one of the busiest transit points in the world.

Its massive dry docks are booked months in advance for ship refittings, despite the dangers of the Gulf.

Bin Sulayem said Dubai hopes by the end of this year to pass an off-shore company law and is considering off-shore banking, a move that would place Dubai in competition with the island nation of Bahrain further north in the Gulf.

Companies such as Kodak, General Motors, Toyota and Polaroid, have established regional administrative or service centres here, some responsible for territories stretching from Greece to Kenya to Singapore.

"You don't have to go down and persuade government officials why they want another business in town," Greenwald said.

"Trade is in the blood," said Bin Sulayem. He noted that when the United States banned imports of Iranian pistachios, Dubai traders bought huge quantities at depressed prices, then processed and bagged them and exported them to America.

Abulhoul, however, said he disagrees with those who want to make Dubai another Hong Kong. "I want to establish my own identity," he said. "I want to be Dubai."

World Business Summary

OPEC price committee to discuss UAE output

NICOSIA, July 25, (Reuters): OPEC's price monitoring committee could meet in Switzerland next week to discuss a decision by the UAE to produce above its OPEC quota, the Middle East Economic Survey (MEES) said today. The usually authoritative newsletter said the committee had planned to hold the talks in secret to avoid unsettling an already volatile market. "MEES understands that it has been agreed in principle that the committee will meet in Lausanne on August 3 although a final decision may depend on the results of the visit of Dr Subroto to the UAE," the newsletter said. Subroto, secretary-general of the Organization of Petroleum Exporting Countries, is due to deliver a letter from OPEC president Rihwan Lukman to UAE President Sheikh Zaid Bin Sultan Al Nahayan later this week. "While the committee is expected to go through the formal motions of reviewing the market situation, the main topic on the agenda will be the UAE's unilateral decision to allocate itself an official quota of 1.5 million barrels per day and the impact of this," MEES said. The committee, comprising Nigeria, Saudi Arabia, Indonesia, Venezuela and Algeria, can call a full meeting of OPEC if it decides spot prices have deviated too far from official levels. The OPEC secretariat confirmed on Thursday that a meeting was being planned, but said no date or venue had been fixed.

The Newsletter said the newly-formed Abu Dhabi Higher Petroleum Council gave the go-ahead to boost August production to 1.1 million BPD at its first meeting on July 18. Of the total, 600,000 BPD will come from Abu Dhabi's onshore fields and 500,000 from offshore fields — a decision already communicated to operating companies, the Newsletter said. With Dubai output running at around 400,000 BPD, this will raise production for the UAE as a whole to 1.5 million BPD, well above the country's OPEC ceiling of 948,000 BPD. MEES put July production for Abu Dhabi at around 970,000 BPD but added that due to lower output in the first quarter, production for the first six months of the year was only around 850,000 BPD. News the UAE had abrogated its OPEC quota helped push oil prices down by around one dollar a barrel last month.

Britain's oil industry could suffer development delays

LONDON, July 25, (Reuters): Britain's oil industry could suffer development delays and rising operating costs as a result of an explosion earlier this month which wrecked a major operating platform and killed 167 men, a new study says.

The report by stockbrokers James Capel said fixed operating costs could rise by five per cent and insurance premiums by 10 per cent because of the accident at the Piper Alpha platform. Timetables for developing new fields may be upset until the government completes an inquiry and weighs possible new safety measures. "The immediate impact on the UK North Sea industry is one of numbness," the report says. "Nine days after blasts ripped through Piper Alpha, the wreck was still smouldering and firefighters led by Texan expert 'Red' Adair were trying to extinguish two blazing wells. US-based operators Occidental Petroleum Corp said today salvage workers recovered another body from the sea but 125 men were still missing after the worst offshore oil accident. Most of the men died in living quarters above gas separation tanks. Capel said oil firms may have to stop accommodating workers on platforms and instead fly them in each day."

The government may well believe it appropriate to take a tougher line," it said. "The industry could face additional costs of £150 million (\$260 million) a year if the government insisted on an overhaul of platforms and safety procedures. Capel said. Instead of salvaging some of the existing Piper Alpha wells, it may prove easier to drill new ones, it added.

World Bank body launches African enterprise fund

NAIROBI, July 25, (Reuters): The International Finance Corporation, a World Bank affiliate, announced today it was setting up a new African fund to finance small and medium-sized enterprises in sub-Saharan Africa. The corporation, in a statement telecast to Reuters in Nairobi from its Washington headquarters, said an initial investment of \$60 million would finance the fund for three years. The fund was expected to be operational by early next year. The statement said the fund would help African entrepreneurs develop, rehabilitate or expand their businesses by providing loans, guarantees, equity and quasi-equity investments — similar to previous larger-scale investments by the corporation. The corporation has until now limited its operations to investments of more than \$1 million. The new fund would advance sums of \$100,000 to 750,000 for projects costing up to \$5 million, the statement said.

It would finance up to 40 per cent of the project cost, the corporation said. Its field offices in Abidjan, Nairobi and Lagos would be expanded to oversee implementation of the fund.

Yugoslavia eases debt burden but internal problems remain

BELGRADE, July 25, (Reuters): Yugoslavia has won a breathing space by agreeing with Western commercial banks to reschedule one-third of its foreign debt, but it still faces serious internal problems, political analysts say. A draft agreement on refinancing seven billion of a total of \$21 billion debt represented the "final stage of Yugoslavia's overall long-term foreign debt consolidation," Tanjug news agency said on Wednesday. The pact was reached with representatives of the international co-ordinating committee of commercial banks in New York. Earlier this month Yugoslavia wrestled \$946 million debt rescheduling from 15 Western creditor governments and Kuwait, members of the Paris Club of aiding states, and \$410 million standby credit with the International Monetary Fund (IMF) in June. Government officials say this would free about \$2 billion a year between now and 1992 to pump into communist Yugoslavia's sagging economy and help boost Prime Minister Branko Mikulic's economic reforms launched this year. But political analysts say Mikulic still faces a rough time because of serious resistance to his austerity programme implemented in May. Mikulic provoked a wave of strikes and street protests by limiting wages and freeing prices amid 175 per cent inflation, in an effort to make the economy more market-oriented. According to unofficial surveys, some two million workers might lose jobs if economic reforms were strictly implemented and insolvent firms allowed to sink.

US machine tool orders surge

WASHINGTON, July 25, (Reuters): Spurred by a robust economy and a cheaper dollar, orders for US machine tools soared in the first half of 1988, the industry's trade association said yesterday. Orders in the first six months of this year totalled \$1.81 billion, up 83.8 per cent from the first half of 1987, the National Machine Tool Builders' Association said. "All segments of the machine tool industry are doing well," said James Gray, president of the association. "Both domestic and foreign markets for US equipment have gained strength. Anyway you look at it, this year has been a turnaround time for the US machine tool industry," he said. Machine tool orders are an indication of capital investment by manufacturers of durable goods, items that last at least three years such as refrigerators and automobiles. "American manufacturing is undergoing a long-awaited recovery," Gray said. Foreign orders for machine tools, invigorated by the decline in the dollar, which makes US goods cheaper overseas, jumped 96.2 per cent to \$245.4 million in the first half of 1988 over the same period a year earlier.

Soviet industrial production, trade up

MOSCOW, July 25, (Reuters): The Soviet Union said its industrial production and trade rose in the first six months of 1988.

Figures issued by the State Statistics Committee and published in the Soviet press on Sunday showed that industrial production rose 4.7 per cent and trade was up five per cent in the first half of the year to 66.5 billion roubles (\$110.8 billion).

Trade turnover had declined in the 1987 period.

"But the restructuring of foreign economic activity is being accomplished too slowly," the report added. The Statistics Committee report said imports rose by seven per cent, and exports by three per cent, with oil and gas continuing to comprise the bulk of Soviet exports.

Goods
Meanwhile, consumer goods production rose by seven per cent to a total worth 163 billion roubles (\$275 billion) at retail prices. Output of higher priced quality goods had increased but at the expense of lower priced articles in mass demand, the report said.

Quality inspectors rejected or returned eight per cent of manufactured goods during the first six months of the year. The lost production amounted to 40 million roubles (\$66 million).

The report also said livestock deaths remained high in some areas, totalling 1.5 million long-horned cattle, 3.4 million pigs and 4.3 million sheep and goats in the first half of 1988.

Japan's Finance Ministry probes stock scandal firm

TOKYO, July 25, (AP): Japan's Finance Ministry is investigating a real estate firm for a legal yet shady stock scam that reaped massive profits for select individuals, including officials from government, business and the mass media, press reports said today.

In reports carried by several leading Japanese newspapers, the finance ministry has called on the real estate firm Recruit-Cosmos Co. to reveal the names of all those who obtained the company's unlisted stocks. "We will investigate the case to disclose the whole picture," a senior finance ministry official was quoted as saying by the nationally circulated Asahi Shimbun. The official was not named.

Another leading daily, the Sankei Shimbun, said the finance ministry will launch an investigation to determine whether the dealings violated the nation's securities and exchange law.

Names
Recruit-Cosmos has yet to release the names of the people it invited to purchase company shares prior to their release for over-the-counter dealings, under current regulations, firms are not obligated to register names of buyers of unlisted shares.

The scandal involved more than a dozen prominent political and business leaders suspected of and business huge profits by obtaining unlisted shares and selling them after they were released on the market.

Sofar, Prime Minister Noboru Takeshita, former Prime Minister Yasuhiro Nakasone and former Foreign Minister Shin-ichi Abe, a senior ruling party official, have admitted that their aides earned profits, along with half a dozen other top politicians.

US drilling activity slows, say analysts

NEW YORK, July 25, (Reuters): Falling oil and natural gas prices have dimmed prospects for a marked resurgence in US oil drilling this year, industry executives and analysts say.

In the first half of 1988 "domestic drilling results have gone from bad to worse," said George Gaspar, analyst at Robert W. Baird and Co.

The working US drill rig count, an industry barometer, averaged about 900 in June against expectations of 965, he said.

Permits for US drilling, a leading indicator of future activity, dropped to 2,647 in June from 3,159 in May, according to Denver-based Petroleum Information.

Dropped
"Unless prices improve markedly in the second half of 1988, drilling for and production of crude and natural gas will continue in the doldrums," Petroleum Information said recently.

West Texas Intermediate

crude oil, the US benchmark grade, dropped to a 20-month low of \$14.44 a barrel on July 13, down more than \$3 since January. Prices have fluctuated widely in July due to peace moves in the Iran-Iraq war and a North Sea oil platform explosion on July 6.

Meanwhile US natural gas prices, which topped \$2 per thousand cubic feet (MCF) last winter, have tumbled to \$1.40 per MCF in recent weeks.

Although oil prices edged higher in mid-July on expectations of an Iran-Iraq ceasefire which might enable the Organisation of Petroleum Exporting Countries to control oil production in the region, some analysts believe the trend will stay lower.

They say that once Iran and Iraq stop fighting, they will be under pressure to boost oil revenue to rebuild their economies.

Price projections have been revised downward. Several experts now say US oil prices will average between \$17 and \$18 a

barrel for 1988, down from earlier estimates that prices would surge to \$20 by the end of the year.

Natural gas price projections have similarly been cut to a 1988 average of \$1.50 to 1.60 per MCF, down from earlier estimates of an average \$1.75, analysts said.

Prices
"US drilling is not robust because oil prices are not very high — they need to be above \$20 a barrel," said Sandi Harber Sweeney, an analyst with Sanford C Bernstein and Co. Inc.

US drilling activity is now expected to average about 1,000 working rigs in 1988, up seven per cent from an average 936 working rigs last year, analysts say. Earlier estimates had expected a 16 per cent gain this year.

"People have been too optimistic about what's going on in the drilling industry," said WEFA Group analyst Robert Kaufmann.

"They did not anticipate the weakness in oil prices, believing

OPEC would get its act together. They also over-estimated the rate at which they could call back unused rigs."

Activity
Gaspar said drilling activity also has slowed because large companies were hoarding funds to bid for oil and gas assets up for sale by Enron Corp, Tenneco Inc and other firms.

Major US oil companies, which had budgeted an increase of 12.4 per cent in US exploration and production spending, are now likely to increase spending by only 12 per cent, according to a survey by Salomon Brothers Inc.

"A greater than usual amount of underspending of budgets appears to be going on," wrote James Crandell in the survey. "This decrease apparently reflects weaker oil and natural gas prices than were budgeted for at year-end."

Drilling activity this year also will depend on independent producers who are quickly affected by oil and gas price changes.

Share prices continue to be depressed this week

LONDON, July 25, (UPI): Share prices continued to be depressed this week on a generally lower Wall Street and the higher pound not helping Britain's leading exporters.

Sessions were lacklustre for much of the time. Worries overtook investors, who stayed on the sidelines for most of the time.

The stock market steadied at the beginning of the week, soon becoming more anxious with Wall Street's falls, and later equities were further undermined by futures related selling.

Dealers in the second part of the week seemed unprepared to open new positions while they remained deep in the throes of anxiety over the country's economic future and interest rate prospects.

What interest there was, subsided on special situations, but overall, many leaders succumbed to late profit-taking, while activity in secondary issues was, at best, light.

The Financial Times "100" share index closed the week 1844.8 and the "top 30" 1479.4.

Solace
Government stocks were unable to find solace, especially in the last few days of the week, following the outstanding performance of the pound, sensitive to the economic uncertainties, and easing about 1/2 over the week.

The government securities index closed at 87.88.

Oils generally remained dull, though Enterprise Oil which closed higher at 479 pence after buying a 10 per cent interest in three North Sea oil blocks from Texas Eastern for £160 million by way of a share placing.

Gold prices at first with the bullion price, finally came back sharply.

The gold index closed at 214.7. Monday's 1/2 per cent hike in base rates to 10.5 per cent made little impact on the market.

Move
Opinion was divided whether the move, all part of keeping the money supply tight, was likely to be the last in a series of almost weekly jumps.

Figures on Wednesday showed an £8.5 billion rise in bank lending in June.

The increase much larger than expected, compared with £5.4 billion in May.

The rise in rates on Monday coincided with a round of central bank intervention to keep the dollar down.

Monday's news that Iran had finally agreed to accept unconditionally the UN Security Council's Resolution 598, which calls for an end to the Iran-Iraq war and a return to pre-war boundaries, boosted oil prices for only a short time.

Japanese video phone gets mixed reviews

TOKYO, July 25, (Reuters): Dotting grandparents and lonely businessmen separated from their families are among the buyers expected for video telephones which transmit black-and-white still photographs of users.

The telephones have been unveiled by Japanese electronics manufacturers hoping to attract consumers flush with summer bonuses.

But some industry analysts question whether the average consumer is interested in what the telephones can do — enable users to see or send a series of black-and-white photos — and have their conversations interrupted in the process.

Advances
The machines are likely to be overtaken by technological advances allowing live colour transmissions, the analysts add.

The still-video telephones, hooked to existing phone sets, can transmit and receive black-and-white still pictures of those talking in six seconds over analogue or ordinary phone circuits.

Conversation is blocked during the transmission. The images can be stored in a memory, recorded on a standard audio tape recorder and replayed on a display monitor.

Five Japanese electrical firms announced in early June that they had developed analogue still-video telephones based on standards set last May by Japan's Telecommunications Technology Committee (TTC).

The TTC is a private industry group affiliated with the Ministry of Posts and Telecommunications.

Matsushita Communication,



A girl in Tokyo uses a video telephone which displays still black and white images transmitted down the telephone line. The unit which costs 54,000 yen (\$400), went on sale in June, but some industry analysts believe the average consumer will not be interested. (Reuters wirephoto)

Mitsubishi Electric and NEC have already started marketing the black-and-white still-video phones.

Sony plans to start sales in August but Sanyo Electric has not decided its marketing plan. There are no extra charges beyond ordinary phone rates, and the units are priced at around 55,000 yen each (about \$415).

Each of the five companies

plans to produce from 2,000 to 5,000 units monthly, expecting the new product to be a hit for both personal and business uses, and for people of all ages, company spokesmen said.

Especially popular uses are expected to be for travelling businessmen and for elderly people eager for a glimpse of children and grandchildren during conversations, industry analysts said.

However, some analysts think huge consumer demand will be found only for a colour moving-picture phone, not for a black-and-white still-video phone.

"A still picture phone is boring. Who wants to buy a black-and-white picture phone in this age?" said Prudential-Bache Securities associate director of Far East Research, Darrel Whitten.

"We want a colour moving image of the other person." The one colour moving-video telephone now on the Japanese market is the Invite 64 System developed jointly by Kokusai Denzhin Denwa (KDD) and Mitsubishi Electric.

But with a price of six million yen (about \$45,500) and a limited digital network, interest in the unit has been largely confined to business. Only some 100 have been sold since KDD started marketing Invite 64 in July 1987.

Price
"The trigger to mass sales of colour moving-video phones is semiconductor progress," said Whitten. He said four-megabit memories, which he sees on the market in 1990, would slash the colour moving-picture video phone's price.

Tatsuya Minamiyashiki, who is on KDD's research and development headquarters staff, said: "If a larger capacity semiconductor is developed, a colour moving-picture phone will need few semiconductors, and there will be large production cost cuts."

Whitten said the other element enabling mass sales of moving picture phones would be the general spread of the Integrated Services Digital Network (ISDN).

Strong economic growth still makes the dollar a good bet

LONDON, July 25, (Reuters): The dollar's sharp fall and the pound sterling's even bigger jump last week may signal the start of a major new international flow of funds, money dealers say.

The dollar fell three per cent and the pound jumped five per cent last week, as investors around the world shifted money in countries where they can get high interest rates.

The trend also boosted the Canadian and Australian dollars.

Market
Some traders say the moves may mark an end to the US currency's powerful surge since the new year and the resumption of an even faster-paced spring rally in sterling.

"You don't have a good market for the dollar to go up in at this point," said Francoise Soares-Kemp, who follows currency markets for Credit Suisse in New York.

"Your average trader is looking to sell some dollars because (he's) trying to retrace where the rally began," she said.

Chances

The reason, some traders say, can be found in a dilemma both the United States and Britain share — inflationary pressures are building, but the traditional response of raising interest rates could boost their currencies enough to slash exports.

And traders say they are unsure American and British policies will move in tandem.

The difference is that there is an election in the United States this year, and traders believe the Reagan administration is unwilling to hurt Republican contender George Bush's chances by raising interest rates to slow down spending.

And while the buoyant American economy could over-heat and send inflation up, many investors think strong economic growth still makes the dollar a good bet.

"Some Americans are even talking up the dollar, suggesting that its appreciation this year reflects the underlying strength of the economy — a song last sung in 1984, just before the dollar crashed," said the economist in an editorial.

But Britain has raised interest

rates six times since early June.

Dealers expect another soon. Costlier borrowing should halt a credit-fuelled buying boom, and also increases returns on bank accounts and bonds. A flood of foreign money to take advantage of that can boost a currency.

That is just what happened in Britain last week.

A lot of it came from the United States.

Trend

Some traders think the flow of money to countries where interest rates are high from countries where interest rates are low will continue.

They worry that this trend could make it hard for the United States to keep financing its

government budget deficit.

That may force the United States to raise interest rates — and even if it does not, some traders think rates should rise to choke off inflation.

They worry inflationary pressure will mount because of the worst drought in 50 years is threatening this year's grain harvest and could boost food prices, despite recent rain.

Pace moves in the Gulf have boosted oil prices. Dealers said an end to the eight-year old war between Iran and Iraq could clear the way for a tough new OPEC accord on oil prices.

But although the dollar fell last week, traders note that it is still more than 15 per cent above the record lows it hit at the start of the year.

WORLD STOCK MARKETS

ARAB TIMES, TUESDAY, JULY 26, 1988

LONDON
(Alpha Stocks)

NAME	LAST	INCHCAPE	212.0
ABBEY LIFE	312/0	JAGUAR	282/0
ADT LTD	138/0	LADBROKE	20.00
ALD LYONS	421.0	LAND SEC	548.0
ANSTRAD	217.0	LAPORTE	416/0
ARGILL GP	188.0	LASMO	461.0
ASDA GP	154/0	LEGAL+GEN	319.0
BAA	274/0	LONRHO	242.0
BAT IND	422/0	LUCAS IND	542/0
BAYCLAYS	417.0	MAGNET	238/0
BASS	778.0	MARKS+SP	170.0
BEAVER	184.0	MAXWELL C	215.0
BEECHAM	466/0	METAL BOX	234/0
BERRIFORD	351/0	MEPC	525/0
BICC PLC	350.0	MIDLAND BK	437.0
BLUE ARW	103.0	NEXT	236.0
BLUE CIRC	435/0	NTF FOODS	304.0
BOC GP	405/0	P & O DFD	306.0
BOOTS CO	221.0	PEARL	475/0
BPS IND	267.0	PEARSON	735/0
BR COM	247.0	PILKINGTON	167.0
BR AIRWAY	146/0	PLESSEY	210/0
BR AEROSP	473/0	PRUDENTIAL	165.0
BR GAS RG	173/0	RACAL	341/0
BR GAS RT	257/0	RANK HVS	466.0
B.P. NEW	59/0	RANK ORG	735/0
B.P. RVT	258/0	RCKITT+CO	915/0
BURMAN L	550.0	REDLAND	418/0
BURTON	220.0	REED	429/0
CABLEVISION	365.5	RYL BK SC	475/0
CADBURYS	386/0	RHC GRP	475/0
CAVENDISH	244.0	REUTERS	525/0
CDWY VTY	376/0	RTZ CORP.	440.0
COOKS GOLD	017/0	ROLLS ROY	138/0
COOKSONS	270.0	ROTHMAN B	417/0
COURTAULD	342.5	ROYAL INS	403/0
DALGETY	348/0	SAATCHI	365/0
DEE CP	184.0	SALISBURY	215.0
DIXONS	180/0	SCOT+NEW	317/0
ENG CHINA	460/0	SEARS	127.5
ENTER OIL	481/0	SEDEWICK	229.0
FBI BACK	125/0	SHELL	050/0
FERRANTI	88.0	SHI+MEPH	125.0
GEN ACCTO	914/0	STC	278/0
GEN ELEC	155/0	STORENSE	248/0
GLAND	957/0	SUN ALLIA	980/0
GLAXO	305/0	TARMAC	226.0
GLOBE	141/0	TATE+LYLE	855.0
GLYNED	312.5	TESCO	143.0
GRAND MET	492/0	THORN EMI	628.0
WARD RYL	192.0	TRAF BHI	302.0
GKN	320/0	TSB	107.0
GUINNESS	325/0	T+N	176.0
HUMPHRES	616/0	TRUSTEE	48.75
HANSON	142/0	ULTRAMAR	290.0
MAKER STD	227/0	UNILEVER	470.0
HILLSDOWN	275/0	UNIGATE	315.0
ICI	023.0	UTD BISC	314/0
INT	203/0	UTD HUSP	420/0

LONDON
(Beta Stocks)

NAME	CLOSE	OPEN
1ST CHARL	12/4	12/4
2ND ALICE	742/0	734/0
A B PORTS	358/0	355/0
A.B. ELECT	444/0	443/0
AAR KENT	93/0	95/0
AAR HLD	271/0	271/0
AARONSON	125/0	125/0
ACRE OIL	220/0	220/0
ADDITION	39/0	38/0
ADMET	361/0	363/0
ALEX MKW	173/0	175/0
ALEXON	385/0	385/0
ALLO COLL	131/0	131/0
ALLO TR B	273/0	272/0
ALLO LON	125/0	125/0
ALLO PLNT	61/0	61/0
ALLIANCE	829/0	825/0
AMARI	272/0	273/0
AMEC	375/0	375/0
AMER TRST	128/4	127/0
AMERSHAM	444/0	445/0
AMI HLTHC	249/0	248/0
ANGLIA TV	180/0	179/0
ANGLO O'S	212/4	211/0
ANSBACHER	84/0	83/0
APPLEYARD	483/0	480/0
APRICOT	124/0	123/0
APV PLC	116/0	117/0
AQUAS.A.	79/0	80/0
ARAN ENGY	80/0	81/0
ARCHER AJ	138/0	138/0
ARLINGTON	195/0	195/0
ARMSTRONG	140/0	140/0
ASS NEWS	497/0	496/0
ASTRA HLD	34/0	34/0
AT ASST	51/0	51/0
ATLANTIC CN	495/0	488/0
ATTWOODS	290/0	293/0
AUS REE A	278/0	277/0
AUST REED	378/0	378/0
AUTO SECS	254/0	253/0
AVON RUBB	728/0	725/0
B.MENWILL	177/0	178/0
BAILL SHI	83/0	82/0
BAIRD (W)	266/0	268/0
BANK IRE	262/0	260/0
BANKER IT	71/0	70/0
BARKE DEV	133/0	133/0
BAYNES C.	29/0	30/0
BBA GROUP	181/0	180/0
BEAR B.V.	5/4	4/0
BEAR BRND	11/0	11/0
BEHAVEN	48/0	49/0
BELLWAY	250/0	248/0
BENROSE	219/0	218/0
BENLOX HD	51/0	51/0
BENTALLS	184/0	183/0
BHAM MINT	170/0	170/0
BIRMID GL	403/0	403/0
BK OF SCO	398/0	397/0

LONDON
(Gamma Stocks)

NAME	CLOSE	OPEN
BLACK LE 2	16/4	16/4
BINNETT +F	37/4	37/0
BOASE MAS	259/0	
BODDINGTON	170/0	170/0
BOOY SHOP	643/0	640/0
BOOKER	409/0	409/0
BOOTH HENR	368/0	368/0
BORTHWICK	69/0	69/0
BONATER	414/0	413/0
BR DREDG	151/0	150/0
BR LAND	333/0	333/0
BR VITA	230/0	230/0
BRAMMER	245/0	245/0
BRENT CHE	157/0	156/0
BRENT MORT	423/0	423/0
BRITANNIC	362/4	367/0
BRIXTON E	320/0	319/0
BULMER HP	175/0	173/0
CALOR GRP	387/0	383/0
CAMB INST	54/0	54/0
CANFORD E	185/0	183/0
CANNING W	234/0	235/0
CANNON ST	310/0	310/0
CAP GRP	304/0	304/0
CAP RFD	304/0	304/0
CARLON C	164/0	163/0
CARLESS C	124/0	125/0
CARLTON C	768/0	768/0
CASE GRP	89/0	94/0
CATER ALL	358/0	355/0
CAULDON	13/0	13/0
CHAM PHPP	153/0	154/0
CHARTERNA	22/2	22/4
CHAS CHUR	112/0	110/0
CHLOKIDE	65/0	65/0
CHRISTIES	550/0	548/0
CI GROUP	49/0	49/0
CLYDE PET	132/0	132/0
CNTRL SEC	56/0	56/0
CNTRY OIL	174/0	174/0
COATES BR	321/0	318/0
COLLINS A	475/0	475/0
COLLINS W	573/0	568/0
COLOROLL	190/0	190/0
CONNELLS	308/0	303/0
COSTAIN	315/0	315/0
COURTS FR	308/0	308/0
COVIE CT	113/0	113/0
CREST NTC	207/0	207/0
CRH	142/0	143/0
CRODA INT	207/0	207/0
CROWTHER	190/0	190/0
CRYSTAL	160/0	160/0
DARES EST	33/0	33/0
DAMSON IN	229/0	228/0
DE LA RUE	463/0	460/0
DELTA GRP	309/0	309/0
DEVENISH	339/0	339/0
DIPLOMA	231/0	231/0
DRAYTON GR	214/0	214/0
DRUMY C	452/0	450/0
DRG	463/0	463/0
DUNHILL	209/0	208/0
EAGLE ST	15/4	15/2
EDIN I.T.	152/0	152/0
ELECTRA	204/0	204/0
ELLIS EVA	145/0	145/0
ELLIS GOL	143/0	143/0
EMAP	224/0	224/0
EMPIRE ST	246/0	245/0
ERA GROUP	89/0	88/0
ETAM	249/0	250/0
EURO W RG	24/4	24/4
EURO-HOM	324/0	325/0
EUTROTHER	389/0	387/0
EUTROT R	353/0	352/0
EVERED HL	113/0	113/0
EVODE GRP	188/0	188/0
EXPANET	207/0	205/0
F&C EURO	216/0	216/0
F&C PACIF	30/0	28/0
F&C SHLLR	71/0	70/0
FARNELL E	175/0	175/0
FED. HOUNS	299/0	300/0
FENNER JH	162/0	162/0
FERGUSON	281/0	271/0
FITCH LOV	287/0	285/0
FLMG AVER	124/0	123/0
FLMG CLAV	252/0	251/0
FLMG FEA	180/0	178/0
FLMG JAPN	200/0	198/0
FLMG MERC	179/4	178/0
FLMG OSEA	159/4	159/0
FLMG TECH	184/0	183/0
FLMG UNIV	145/0	145/0
FOSECO HI	254/0	253/0
FR GROUP	240/0	239/0
FRESHBARK	160/0	148/0
FST LEISR	148/0	148/0
FST NAT F	229/0	229/0
FST SCOT	387/0	383/0
FUR & COL	107/0	106/4
GARDINER	44/0	44/0
GEEST	286/0	285/0
GET INTL	139/0	139/0
GESTETNER	231/0	230/0
GOAL PET	117/0	117/0
GPB	58/0	58/0
GRANPH HD	278/0	278/0
GREEN KMG	469/0	468/0
GREENLL W	245/0	246/0
GREYCOAT	413/0	413/0
GRUP TV A	48/0	49/0
GT ORD	335/0	336/0
GVIT ORIE	780/0	780/0
GVIT STRA	241/0	240/0
H'DL DTA	122/0	123/0
HALL (M)	151/0	152/0
HALLA	178/0	178/0
HAMBROS I	218/0	218/0

NEW YORK

	NAME	OPEN	MID-DAY
220/0	A BSCH COM	29/0	29/1
132/0	ATLANTIC R	80/6	80/6
172/0	AAR CORP	26/0	26/0
9/0	ABBOTT LAB	43/6	43/7
895/0	ACME CLVLD	10/7	10/6
5/0	ADV MICRO	13/7	13/7
192/0	AEROFIL LAB	8/4	8/5
129/0	AETNA LIFE	43/5	44/2
136/0	AMHANNON	14/7	14/7
2/0	AIR PR-CHM	46/6	47/1
363/0	ALASKA AIR	18/2	18/3
9/0	ALBERTSONS	32/6	32/6
70/4	ALPHA 8-16	0	82/0
104/0	ALCAN ALUM	31/0	31/2
75/0	ALCO STAND	23/6	23/5
87/0	AM CYMIND	49/3	49/3
378/0	AM ELET PW	27/2	27/2
273/0	AM HOM PRO	73/6	74/0
82/0	AM HOM PRO	79/5	79/7
293/0	AM STNDRD	0	77/7
357/0	AM STORES	48/2	48/4
4/4	AM TEL-TEL	26/1	26/2
493/0	AMOCO CORP	75/6	75/6
143/0	AMP INC	45/2	45/0
2/2	AMPCO PITT	13/0	13/0
214/0	AMR CORP	45/0	45/1
185/0	AMR GEN CO	29/3	29/5
99/0	AMERADA RE	28/1	28/0
315/0	ANTHEM ELE	13/0	13/1
170/0	APACHE CO	0	7/2
13/4	APACHE PET	2/6	2/7
174/0	ARMSTRONG	36/1	36/3
295/0	ASHLAND OIL	72/6	73/0
260/0	ASIA PACIF	7/0	7/0
212/0	ATL CORP	36/5	36/4
335/0	ATL INTL	24/4	24/3
410/0	AVNET INC	22/6	22/0
340/0	AVON PRODS	24/7	25/1
104/0	BCE INC	30/4	30/4
228/0	BELLSOUTH	40/5	40/5
258/0	BELD CP A	28/5	28/4
94/0	BETH STEEL	24/2	24/3
74/0	BEVLY	6/6	6/7
116/0	BK BOSTON	27/1	27/1
58/0	BK BOSTN-A	0	46/0
124/0	BK NY-NY	33/6	33/7
21/0	BK TR-NY	35/7	36/0
350/0	BKAMERICA	13/5	13/4
44/0	BKAM SPEC	6/7	6/7
195/0	BOEING CO	57/2	57/4
6/0	BOISE CASC	43/5	43/5
237/0	BORDEN	50/4	50/3
330/0	BOWATER	30/0	30/2
330/0	BR TELECOM	42/7	43/1
330/0	BRIGGS-STR	31/6	31/6
530/0	BRIST-MYER	40/2	40/4
138/0	BRUNSWICK	21/0	20/7
107/0	BURNDY CP	11/3	11/2
46/0	C 3 INC	10/3	10/3
105/0	CABOT CORP	34/0	34/1
85/0	CAESARS MO	26/7	26/6
	CA FREIGHT	21/0	21/0
	CAS NAT GS	14/6	14/5
	CAT-COKE	25/7	26/1
	CATERPI TR	61/4	61/0
	CB IND	29/5	29/7
	CBS	154/6	154/4
	CENEL CP	42/6	43/0
	CHAMP INTL	33/3	33/3
	CHAMP SPA	11/4	11/4
	CHARTER CO	0	3/7
	CHASE MAN	29/1	29/1
	CHENED CP	0	32/7
	CHENIC CNK	29/4	29/6
	CHEVRON	46/4	46/5
	CHRYSLER	22/6	22/5
	CHUBB CORP	53/1	53/4
	CHUR CR CR	6/3	6/3
	CIGNA CORP	44/6	44/6
	CIN MILACR	23/1	23/2
	CIR CIT ST	32/7	32/7
	CITICORP	14/3	14/4
	CLARK EQUI	32/0	31/6
	CLOCK	27/5	27/7
	COBELL RES	1/3	1/3
	COBELL SP	24/4	24/4
	CAN PAC	18/5	18/5
	COACHMEN	11/4	11/4
	COASTAL	29/4	29/4
	COCA-COLA	36/4	36/4
	COLECO	1/7	1/7
	COLEMAN CO	39/1	39/2
	COL-PALNH	41/6	41/7
	COLUMBIA-C	0	13/4
	COM EDISON	28/0	28/0
	CONAGRA	29/6	29/3
	CON EDISON	43/1	43/1
	CONTINENTAL	38/4	38/4
	CONTL ILLN	*03	*03
	CONTEL CP	35/4	35/3
	CONTR DATA	22/2	22/0
	COOPER T-R	40/5	40/5
	COOPER CORP	10/3	10/3
	CORNING GL	57/1	

WORLD STOCK MARKETS

International Bond Highlights

Paris — Compagnie Bancaire said it has issued subordinated capital notes worth 200 mln frs, with an undetermined maturity. The notes were indexed on six-month dollar libor. (RTTY 0901)

London — Sara Lee Corp, the US food group, is issuing a 150 mln dir Eurobond due Aug 25, 1993 paying 9-3/8 pct and priced at 101-1/2 pct, lead manager Union Bank of Switzerland (Securities) Ltd said. (RTTY 0902)

London — Mitsubishi Estate Co Ltd is issuing a 150 mln dir Eurobond due Aug 18, 1993 paying 9-3/8 pct and priced at 101-1/4 pct, lead manager Nikko Securities Co (Europe) Ltd. (RTTB 1327)

Frankfurt — Yuri Moskovsky, chairman of the board of the Soviet Bank for Foreign Trade, will arrive in Frankfurt tomorrow to meet West German bankers, a spokeswoman for the Soviet bank here said. German bankers expect his visit to coincide with the Soviet Union's first mark Eurobond issue. (RTTU 1300)

Tokyo — Japan's institutional investors are wary of buying US long bonds because of concern that the next US president will not tackle the budget deficit. (RTTY 1052)

Interbank Rates

CALL	ONE MONTH	THREE MONTHS
LOW 9-7/8 5/8	10-7/16 5/16	10-13/16 11/16
FF 4-40/50	4-70/80	4-95/5-05
PAR 6-15/16 7-1/16	7-1/16 3/16	7-5/16 7-7/16
ZUR 1-5/8 1-7/8	3-1/4 3-1/2	3-5/8 3-7/8
BRX 5.15		
ROW 10 10-1/2	10-7/8 11-3/8	11-1/8 11-5/8
AMS 4-7/8 5.0	4-7/8 5.0	5-1/16 5-3/16
TOK 3.8750 9375	4.0000 0625	4.0625 1250
ECU 6.50 6.75	6.81 6.93	7.06 7.18

Interest Rates

FOLLOWING are the average KD interest rates of local interbank transactions as reported by participants to Central Bank of Kuwait yesterday.

Period	Offered	Bid
1 month	5-1/8	5-5/8
3 months	5-9/16	6-1/16
6 months	5-7/8	6-3/8
1 year	6-1/8	6-9/16

PHILIPPINES MAKATI

COMMERCIAL/INDUSTRIAL	BUY	SELL	OPEN	BC-A	73.00	73.50
STOCK	451.360	10,884.545	905.31	3.45	UP	
AC-A	9.40	9.50	9.50	LC-B	.46	.47
ANS	2.60	2.65	2.65	LC-B	.48	.49
FER-A	2.70	2.75	2.75	PK-B	.38	.39
GLO	34.50	35.00	34.50	PK-B	.38	.39
PLDT	222.00	223.00	222.00	DIL SECTOR		
KPSI-A	2.22	2.26		BP-A	.024	.025
SHC-A	143.00	144.00	144.00	BP-B	.025	.026
SHC-B	218.00	220.00	220.00	LRC-A	.0042	.0044
MINING				LRC-B	.0042	.0044
APX-A	.04	.042	.041	OPM-A	.041	.042
APX-B	.041	.042		OPM-B	.041	.042
AT-A	21.25	21.50	21.50	OV-A	.039	.04
				OV-B	.04	.041

Makati Stock Market Report

OFFICIAL INFORMATION	SHARES	VALUE	AVERAGES	CHANGES
SECTOR	451,360	10,884,545	905.31	3.45 UP
STOCK	13,516,700	3,640,775	4,920.39	10.62 UP
MINING	442,200,000	6,949,040	6.871	0.044 UP
TOTAL	456,168,060	21,474,360	866.62	3.65 UP

PHILIPPINES MANILA

COMMERCIAL/INDUSTRIAL	BUY	SELL	OPEN	BC-A	73.00	74.00
STOCK	143.00	144.00	144.00	BC-B	91.00	98.00
SHC-A	220.00	221.00	218.00	LC-A	.46	.47
SD-TIRE	35.50	36.00	35.50	LC-B	.48	.49
PLDT	222.00	223.00	220.00	ZIP	.011	.012
AMSCOR-A	2.60	2.65		DIL SECTOR		
AC-A	9.40	9.50	9.40	BP-A	.024	.025
GLO	34.50	35.00	34.50	BP-B	.025	.026
FER-A*	2.70	2.75	2.75	LRC-A	.0042	.0044
FER-B*	2.75	2.85	2.85	LRC-B	.0042	.0044
MINING				OPM-A	.041	.042
STOCK	BUY	SELL	OPEN	OPM-B	.041	.042
APX-A	.041	.042	.041	OV-A	.039	.04
APX-B	.041	.042	.041	OV-B	.04	.041
AT-A	21.00	21.25	21.50	TA	.025	.026

Manila Stock Market Report

OFFICIAL INFORMATION	SHARES	VALUE	AVERAGES	CHANGES
SECTOR	369,020	15,025,195	908.05	UP 7.36
MINING	102,866,900	6,610,420	4,788.11	UNCH.
OILS	641,250,000	9,583,080	7.319	DN .009
TOTAL	744,485,920	31,218,695	881.55	UP 3.15

SINGAPORE

NAME	LAST	PR	CL	G TOWN	255	LEONGHUA	179
AIJINOMOTO	200	G U HLDGS	102	M UTD IND	161	166	
ALEXANDRA	175	GAMMA HOG	40	M UTD MFG	73	74.5	
AMAL IND	85	GEN CORP	80.5	M SHITA	620	620	
AMCOL	149	GEN CORP	570	M HATA	63.5	58	
AOKAN TCH	111	GOLD COIN	210	M HATA	236	237	
BA TOS	167	GEN CORP	130	M HATA	87	87	
C & P	289	GEN CORP	352	M HATA	458	458	
CHIN HUP	505	H L IND	144	M HATA	725	720	
CI HLDGS	108	H L IND	106	M HATA	126	126	
CK TANG	570	H L IND	84	M HATA	35	35	
COLL STOR	482	H L IND	181	M HATA	60	60	
DATAP	46	H L IND	103	M HATA	185	185	
DKN	520	H L IND	304	M HATA	346	352	
DUTCHBAND	106	H L IND	675	M HATA	105	108	
ELEC MAGN	169	H L IND	87	M HATA	145	146	
ESSO ORD	390	H L IND	283	M HATA	275	276	
EVAN S	210	H L IND	113	M HATA	300	308	
EVERPEACE	100	H L IND	220	M HATA	740	740	
F A C B	240	H L IND	100	M HATA	442	442	
F B SHIP	945	H L IND	201	M HATA	66	67	
FEB CABLE	67	H L IND	256	M HATA	525	530	
FEB FLOUR	560	H L IND	288	M HATA	1190	1190	
FINA BND	232	H L IND	214	M HATA	77.5	75.5	
FUJITEC	656	H L IND	114	M HATA	94	94	
G KENT	76	H L IND	120	M HATA	125	125	
G LUMBER	110	H L IND	112	M HATA	125	125	

Singapore Stock Market Report

SINGAPORE STOCKS CLOSE LOWER
SINGAPORE, JULY 22, REUTER - SHARE PRICES CLOSED LOWER ACROSS THE BOARD ON SPECULATIVE SELLING AND PROFIT-TAKING IN MODERATE TRADING, DEALERS SAID.

THE STRAITS TIMES INDUSTRIAL INDEX FELL 9.89 POINTS TO 1,142.61 FROM THURSDAY'S 1,152.50 CLOSE.

DEALERS SAID SENTIMENT WAS DEPRESSED BY A 391.13 POINT PLUNGE IN THE TOKYO STOCK MARKET AND THURSDAY'S 24-POINT FALL ON WALL STREET.

THEY SAID DOUBLE-DIGIT FALLS WERE SEEN IN SOME BLUE CHIP AND QUALITY STOCKS, BUT ACTIVITY WAS FOCUSED MAINLY ON LOW-PRICED AND A FEW MALAYSIAN-BASED SPECULATIVE STOCKS.

China warns of new taxes, price hikes to balance budget

BEIJING, July 25, (Reuters): China said today it needed new taxes and price increases to balance a budget strained by ballooning subsidies and a drop in the central government's share of national revenue.

People's Daily printed a speech by Finance Minister Wang Bingqian in which he said authorities had struggled unsuccessfully to balance the budget in the last four years, with Beijing giving out more to localities than it got back.

Official figures show China has had a budget deficit for the last nine years, except 1985, and another is forecast for 1988.

"We cannot meet the demands of reform in the years ahead from existing sources of revenue," Wang said. "We must break with convention and systematically introduce new forms of revenue ... including new taxes."

He said that as wages and prices are reformed, China must reduce price subsidies, budgeted at 36 billion yuan (\$9.7 billion) this year, equal to 14 per cent of total spending.

"We cannot afford unlimited subsidies. Localities cannot without authorization raise the standard of subsidies," he said.

That will mean more price increases for consumers already grumbling over the highest inflation since the communists seized power in 1949.

Retail prices jumped 13 per cent in the first half of this year and surged 19 per cent in June alone.

A Chinese official said last week that no new items would be added to price reforms for the next six months but the leadership has reportedly said overhauling China's price system is crucial to the success of its reform programme.

The pace and extent of this overhaul tops the agenda for the leaders who are gathering at the seaside resort of Beidaihe for their annual "beach summit".

China Economic News said last week.

"Price reform will be all-inclusive. Priority areas are expected to include energy and producer goods ... the Chinese consumer will have to pay more for a better stocked market," it said.

Wang said the reforms, which allow local companies and governments to retain more of their income, had destroyed the old centralised revenue system.

He called for cuts in spending, a halt to building unnecessary projects and for state firms to become more competitive and efficient, like small-scale and rural enterprises that operate outside the state sector.

He also called for better tax collection, and launched a fierce attack on a "very small number of tax officials" who were corrupt, abused their power, took bribes and levied taxes according to their connections with individuals.

ZURICH

STOCK	LAST	PR-CLSE
BAER HDS	13550	13800
BALOTSE PS	2110	2125
BEC I A	2240	2270
BK LEU I	2800	2840
BK LEU N	2425	2450
BK LEU PS	425	428
CFV	0	1110
CIB GEIG I	3280	3310
CIB GEIG N	1560	1580
CIB GEIG P	2180	2220
CMV	1215	1225
CREB SUI I	2555	2590
CREB SUI N	479	478
ED LAUFEN	1825	1835
ELEKTROAT	3025	3750
ENS CHEM I	3700	3750
ENS CHEM P	0	0
GLOBUS I	7400	7425
GLOBUS N	0	6500
GLOBUS PS	1260	1265
JACOBS S I	7700	7775
JACOBS S N	1340	1340
JACOBS S P	670	668
JELH I	2425	2490
JELH PS	365	365
LANDIS N	1380	1360
LANDIS PS	124.00	124.00
MERCK I	810	828
ZURICH PS	1950	1940

Frustrated Soviet consumers stashing their rubles

MOSCOW, July 25, (AP): Soviet savings banks hold deposits equal to nearly 1,000 rubles (\$1,600) for every man, woman and child in the country, reflecting the widespread frustration consumers experience in finding anything to spend their money on.

The savings figure, released by officials on Thursday in a partial report on the nation's economic performance in the first half of 1988, represents half a year's salary for most Soviet workers — an exceptionally high rate of savings compared with Western nations — and could spur inflation as consumer goods appear on the market.

Economist Abel Aganbegyan stated at a press conference in late June that Soviet consumers are no better off now than they were prior to Gorbachev's economic reforms that were introduced last year.

"Unfortunately, the majority of Soviet families are not witnessing the material benefits of Perestroika," Aganbegyan told reporters, referring to Gorbachev's policy of economic restructuring.

Although the reforms have brought significant changes in personal freedom and created a more open atmosphere in the Soviet Union, there is little visible improvement in the market-place.

The State Committee on Statistics reported in a dispatch distributed by the Tass news agency that industrial output from January through June was 4.7 per cent higher than during the first half of 1987.

But Belov noted that shortcomings continued to plague food provision and light industries, and Tass's Soviet leadership "stressed the urgent need for immediate solution of the pressing problems of the people's well-being."

The savings figure indicates Soviets have far more money in the bank than the average family in the United States or most other developed Western countries.

The average American last year saved only 3.7 per cent of his income, or 488 dollars. Japanese workers put aside about 15.6 per cent of their wages, according to the Wafa Group in Bala Cynwyd, Pennsylvania.

The Soviet economic report did not indicate per capita savings on an annual basis.

Soviets earn salaries that generally range between 150 and 200 rubles per month (\$242 to \$323), or about 1,800 to 2,400 rubles annually (\$2,900 to \$3,870).

They face little threat of losing their jobs and are guaranteed a pension from the state, theoretically lessening the need to put money away for unexpected hard times or retirement. Yet their per capita savings represents six months' pay for an industrial worker.

Housing costs for Soviet families are fixed at 3 per cent of family income, with the state subsidising the rest.

Grosz seeks to expand trade relations with US

NEW YORK, July 25, (Reuters): New Hungarian leader Karoly Grosz, on the first US trip by a Moscow-aligned East Bloc chief for 10 years — met top American businessmen on Sunday at the Long Island estate of millionaire George Soros.

A reform-minded pragmatist who took over from Janos Kadar as Communist Party leader on May 22, Prime Minister Grosz is half way through a 10-day official visit designed largely to boost trade relations and attract US capital to Hungary.

He is expected to meet top US bankers today, Federal Reserve Board chairman Alan Greenspan, World Bank and International Monetary Fund officials on Tuesday, Treasury Secretary James Baker, President Reagan and Vice President George Bush on Wednesday.

"It is looking around with interest, promoting Hungary and selling Hungary," a press aide said. "He wants to expand business relations."

The Hungarian-born Soros has endowed a valuable foundation which gives foreign scholarships to young Hungarians and promotes Western-style management methods in Hungary.

Although Hungary has introduced more market-oriented economic mechanisms than any other communist country, their piecemeal nature has sent prices, deficits and debts soaring.

Hungary's net hard currency debt exceeds \$11 billion — higher per capita even than Poland's — and Hungary is urgently seeking injections of foreign capital to modernise its ageing industrial sector.

It is also seeking more generous trade tariffs and quotas, state guarantees for US investments in Hungary and longer renewal periods to its trade status of most favoured nation, currently reviewed every year.

Currency rates

FOLLOWING are international currency rates as quoted by local banks and announced by the Central Bank of Kuwait yesterday.

	buying	selling
US dollar	0.28299	0.28451
Strg.	0.48063	0.48350
D M	0.15230	0.15321
S. Fr.	0.18422	0.18433
F. Fr.	0.04516	0.04542
It. lira	0.002056	0.002070
Jap yen	0.002129	0.002160
Bh. dinar	0.75067	0.75487
UAE Dh.	0.07703	0.07748
S. riyal	0.07541	0.07584
Qat. riyal	0.07771	0.07820
Om. riyal	0.73484	0.73928

THE GULF BANK

Exchange Service	Buy	Sell
Indian Rupee	20.180	20.180
Pakistani Rupee	15.824	15.824
Sri Lankan Rupee	8.905	8.905
Philippine Peso	13.919	13.919
US dollar	284.28	284.28
Sterling Pound	125.91	125.91
Drone Money Market Fund	USD 12.81	USD 12.81
The Islamic Fund	USD 5.70	USD 5.70
Golden Investors	KD 5.00%	KD 5.00%
	GBP 12.50%	GBP 12.50%
	AUD 10.50%	AUD 10.50%

Ivorians expect to flush out more buyers for unsold cocoa

ABIDJAN, July 25: (Reuters): Ivory Coast, playing a waiting game with its huge stock of unsold cocoa, seems to be flushing out buyers and forcing them to pay premium prices.

An official of the Caisse de Stabilisation, the country's agricultural marketing body, told Reuters yesterday that Ivory Coast expected more demand for Ivorian cocoa by the end of July.

The official, who spoke on condition of anonymity, said the demand would come, as it has for the past several weeks, from traders who contracted months ago to sell Ivorian cocoa to the International Cocoa Organisation (ICCO) on a given date and were now forced to buy because the contract had reached its term.

The ICCO manages a buffer stock of thousands of tons of cocoa and buys beans from specific origins so that purchases are spread fairly among all ICCO members.

The official would not say how much Ivorian cocoa was needed but said that "at the end of July there will be a certain number of positions" that had to be covered.

This is good news for the Ivorians, who have refused to sell their cocoa for what they consider ruinously low prices on international cocoa exchanges and have been holding on to an estimated 150,000 tons of cocoa from last season.

But it is bad news for cocoa traders who contracted to deliver Ivorian cocoa and now have to buy at the Ivorians' price to get it.

But support has been limited and most other countries have sold their crop as it becomes available.

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FRANKFURT

STOCK	LAST	PR-CLSE
AEG	201.7	201.6
ALLIANZ VR	1487.0	1474.0
BADENWERK	181.0	181.0
BAF	256.5	254.2
BAYER	287.0	285.0
BAYER BTP	339.0	340.0
BAYER VER	331.0	334.0
BBK	305.7	305.5
BIF	405.0	408.0
BHW	507.0	504.0
COMMERZBK	234.8	230.3
CONTI GUMM	249.0	249.3
DATMER BEN	680.0	674.5
DEUTSCH BANK	466.5	464.5
DLM	372.0	356.0
DRESNER B	249.5	252.0
DT BARCOCK	170.0	168.5
FZ INDEX	475.80	477.94
FELDMUEHL	264.8	263.5
GOLDMUEHL	282.0	276.0
HARPENER	425.0	425.0
HOECHST AG	266.2	264.5
HOFER	141.5	141.0
HORTEN	192.0	192.0
HUSSEL HLD	425.8	414.0
KALF SALZ	420.0	410.0
KARSTADT	350.0	350.0
KAUFHOFF	125.0	124.0
KLOECK H	0	101.00
LINDE	660.0	665.0
LUFTHANSA	142.5	143.2
NAM	188.4	184.0
MANHESMAN	156.4	156.1
MERCEDES	549.0	542.0
METALLGES	310.5	310.0
NIXDORF PF	433.0	437.0
NORSK NYD	60.70	60.10
PHILIP KOL	590.0	590.0
PORSCHE	530.0	537.0
PREUSSAG	178.5	181.8
PMA	213.0	213.0
RHEINMETAL	283.0	292.0
RUE	230.9	233.0
RUE P	216.5	216.5
SALAMANDER	258.0	257.0
SCHERING	507.0	505.0
SEL	298.0	299.5
SIEMENS	416.5	410.7
THYSEN	143.0	142.5
VARTA	278.0	279.0
VEBA	267.0	266.0
VFW	159.0	159.5
VOLKSWAGEN	253.4	247.5

Stocks easier

Dollar edges higher, gold dips

LONDON, July 25, (Reuters): The dollar showed resilience today after recent falls, while sterling continued to attract investors and touched a two-year high against the Deutschmark before central bank intervention broke its ascent.

High British interest rates — recently lifted to 10.5 per cent to cool a credit-driven boom which threatens inflation — made sterling assets as attractive buy.

The dollar edged up in late trading on expectations that US gross national product figures due on Wednesday will show robust economic expansion — which might imply that short-term interest rates also will be nudged higher in the United States to pinch off any threat of inflation there.

Lows
The dollar ended in London worth 1.8445 West German marks and 132.10 yen, up from day's lows below 1.83 and around 131.

Sterling eased against the rebounding dollar, closing at \$1.7330 after Friday's 1.7360.

But it gained more than a penny against the mark, from 3.746 to a closing of 3.879 marks.

The Bank of England sold

pounds to brake sterling, after it opened in Europe at a two-year high of 3.1960 marks. The central bank intervention reflects government concern that too strong a pound may pinch British export earnings.

Steam
"Intervention has temporarily taken the steam out of sterling, but it's obvious interest rates will be the determining factor," said Ken De la Salle, deputy chief manager of foreign exchange at the National Westminster Bank.

West Germany's Bundesbank sold dollars for marks.

Wall Street stocks were lower at New York's midday with the Dow Jones industrial average down three at 2,057.

Oil prices remained steady with typical North Sea crude quoted around \$15.70 a barrel for September loading, little changed from Friday.

Gold closed in London some \$7 down from Friday at \$435.65 an ounce. Dealers said professional investors decided to sell some gold after it slipped under \$440.

In London, share prices more than halved a 16-point mid-morning loss by late afternoon trading, reflecting modest bargain-hunting in relatively quiet trad-

ing conditions.

Dealers said the early mark-down on sterling's renewed strength hit the major exporting companies hardest but the declines proved tempting for some institutional investors and prices moved above the lows on late demand.

At 1501 GMT the FTSE 100 share index was 7.1 down at 1,837.7, the top of the day's trading range after a low of 1,826.7, on a turnover of 257.8 million shares.

Declines

Dealers said the early declines, which also reflected Wall Street's 25-point decline on Friday and Tokyo's softer path, occurred against a background of nervousness over the UK balance of payments data for June due to be released on Wednesday.

The market expects to see a current account deficit of around \$800 million against a 1.2 billion shortfall in May, although estimates range to a shortfall of 1.15 billion.

If the deficit is narrower than anticipated, renewed sterling gains are likely and the market remains unsure as to how UK authorities would react to such gains.

Many dealers believe the UK authorities would prefer to intervene on the foreign exchange to stem an unwelcome rise in sterling, as occurred today, rather than meet the gains with a downward base rate adjustment. They cited current domestic inflationary pressure and the proximity of the last base rate movement as factors riding against such action.

Gains
Sterling closed with a two basis point gain at 76.6 in trade-weighted terms.

Among international stocks depressed by the pound's strength, ICI shed 11 p at 1,025, Glaxo fell 8 p at 960 while Pilkington lost 2 p at 208 in common with Beecham at 465.

Bid target ranks Hovis McDougall (RHM) was 4p down at 468 after a low of 466 amid speculation that Goodman Fielder's 465p per share hostile bid may be referred to the UK Monopolies Commission.

Australian food group Goodman Fielder said today it gave the Bank of England details of its £1.7 billion offer before and after announcing the bid. The bank did not express concern on either occasion and has not done so since, the company added.

Meanwhile, Hungary will open communist Eastern Europe's only stock exchange on January 1, the official MTI news agency reported today.

The country, a trailblazer of economic reform among communist countries, already has Eastern Europe's only bond market and began issuing treasury bills last March.

MTI said the head of the secretariat of trade in securities, Ilona Hardy, told the Magyar Hirlap government newspaper the Budapest Stock Exchange would be founded as a limited company.

Share trading would be restricted to members.

Involved
Twenty-six banks and financial institutions involved in the bond market, which opened five years ago, are to establish a self-governing body for the stock exchange along with a committee on ethics, secretariat chief Ilona Hardy said.

A stock market existed in Budapest from 1864 until the communist takeover in 1948.

MTI also reported that Hungarian banks had sold six billion forints (\$111 million) worth of treasury bills since the securities were first issued in March.

Wild fluctuations are a symbol of a much deeper problem: economist

Japanese economy sending 'confused signals'

TOKYO, July 25, (AP): Shortly after the Tokyo Stock Exchange opened last Tuesday, grim-faced Japanese businessmen began filing into the lobby of the Sanyo Securities Co. Ltd. to watch the stock market perform.

Their faces grew grimmer as a retreat that began the day before, when the US dollar soared 1.75 yen, quickly turned into a rout. By the time the market closed on Tuesday, the barometer Nikkei stock average of 225 issues had sustained its biggest loss of 1988, falling 513.09 points.

The next day, businessmen again packed the lobby. Their fortunes soared this time as the index gained 404.95 points, the largest single-day gain so far this year. The dollar took a beating, losing nearly 1.30 yen.

Plunged
Two days later, the Nikkei index plunged again, losing nearly 400 points. Overall, the market lost 935.05 points — more than 3 per cent of its value — between July 14 and 19.

The decline continued as this week opened. Today the market initially jumped up 76.55 points

at the opening bell, then closed down 117.81 at 27,183.53.

"I think these are continuing signs of confusion over the direction of the economy in Japan," said William Sterling, senior economist for Merrill Lynch Securities Company in Tokyo. "These are warning signals, and people are nervous."

Many market analysts blamed the wave of selling on market shifts, from steel and shipbuilding to electronics.

Fluctuations
But Sterling said the wild fluctuations are a symbol of a much deeper problem. He said investors are trying to take their money into more reputable stocks so they have a better chance of selling if the market falls.

Some Japanese economists claim the danger signs indicate trouble ahead in the economy. Others, such as Bank of Tokyo economist Teruhiko Mano, say the market is merely stabilising and correctly reacting to developments.

Mano said the United States will have to raise interest rates if it

wants to keep attracting Japanese investment, and that in turn will force Japan to raise its interest rates, increasing the danger of inflation.

"The dollar went up, and the market went down. Our economy is reacting to the capitalistic system. It shows it is working well," he said.

Interest rates are already up in the United States, West Germany and Britain. There also is a strong upward pressure on the dollar.

Some Japanese economists have warned that a stronger dollar combined with higher interest rates could trigger a "black Monday" market crash in Tokyo.

Indicators
The gloomy view is far from universal. Last week, a group of 21 Japanese financial institutions issued a glowing report on the economy, saying growth through the fiscal year was expected to be 4.4 per cent to 5.4 per cent.

But the leading index of economic indicators fell two months in a row, in March and April.

Historically, such a trend has meant a recession within four to eight months.

Industrial production also was down 3.8 per cent for April and May, which means zero or negative growth for the second quarter.

Housing starts have been falling rapidly, following a boom last year that helped force real estate prices into a steep rise and cooled the ardor of prospective home-buyers. Mano, however, says the decline in housing starts is merely a reaction against prices that already had been too high.

Part of Japan's problems stem from recent US economic, which Sterling says indicates how closely world economies have become linked.

The recent boost in the US dollar came about because of improved trade statistics, partly due to more American exports.

"The United States is seeing the high side of this process," Sterling said. "But its trading partners are beginning to feel the heat. This is now beginning to show a strain on the Japanese economy."

Iranian oil firm wins claim against Ashland

VIENNA, July 25, (OPECNA): A court of appeal in Bern has ruled in favour of the National Iranian Oil Company (NIOC) allowing legal proceedings to be initiated after nearly nine years in its \$282 million claim against Ashland overseas trading.

The NIOC claim against the Bermuda-based subsidiary of Ashland oil relates to non-payment of seven cargoes of oil in late 1979.

Lloyds shipping gazette said the outcome of the case was certain to set new international legal precedents.

According to the national Iranian news agency IRNA, NIOC has been battling in courtrooms around the world — London, New York, Mississippi, the US Supreme Court and the international arbitration tribunal at the Hague — in similar actions, though with the exception of Bermuda and Mississippi, the rest had either lapsed or become dormant.

Claim

The court of appeal overturned a Bermudian supreme court ruling given six months earlier that blocked NIOC pursuing its claim. The new judgment allows the company to press ahead with its case which also includes accrued interest on the non-payment.

Ashland can appeal the decision in London because Bermuda is a British crown colony.

Ceiling for NRIs may be raised

CALCUTTA, July 25: A raise in the ceiling for portfolio investment by non-resident Indians is likely.

The present ceiling is five per cent. According to reliable sources, this may be raised to eight per cent.

The sources say senior officials in the prime minister's secretariat favour a three per cent increase on the existing ceiling, although during the discussions the desirability of a still higher ceiling, say nine to 10 per cent, may have been suggested.

Decision
A decision on this issue, as also on other measures to make the existing scheme more attractive for non-resident Indians, will be taken by the Indian government after it receives the final report of the high-power working group on capital markets headed by Abid Hussain, member of Planning Commission.

Interestingly, Hussain, in his interim recommendations, has suggested that the present ceiling should be increased.

Oil exploration deal

VIENNA, July 25, (OPECNA): Amoco India, a subsidiary of the US oil company, has signed a production-sharing agreement with the Indian government and the National Oil and Gas Commission for petroleum exploration in the Krishna-Godavari basin, off the country's east coast.

The exploration costs in "block KG-OS-V" will be Amoco's responsibility and if oil is found in commercial quantities, the National Oil and Gas Commission will have a 40 per cent option on the discovery.

Exploratory drilling is to start in 1989, according to Reuters.

Booming demand for diamonds in Japan helps to push world prices higher

TOKYO, July 25, (Reuters): Booming demand for diamonds in Japan and its East Asian neighbours is helping to push world prices for the stones higher this year, Asian traders say.

Diamond rings have become a fad in fashion-conscious Japan, now the second largest market for diamonds after the United States. Imports up to mid-July were about 50 per cent up on last year's figures, traders say.

De Beers Consolidated Mines Ltd of South Africa, which controls 80 per cent of the world diamond trade, is reaping the benefits.

It says its world sales of rough gems and industrial diamonds were up 41 per cent to a record \$2.2 billion in the first half of this year compared with the same period last year. The company also raised prices 13.5 per cent in May.

Sales
Retailers in Japan said the sudden boom in diamond sales was partly due to the strong yen, which has made diamonds a bargain for the Japanese consumers.

A recent advertising campaign also successfully pushed the romantic appeal of diamond gifts, enticing young Japanese into the jewellery shops.

"You might say there is a mad among young people here to own a piece of diamond jewellery," said an executive in one import firm.

Ryo Yamaguchi, managing director of K. Mikimoto and Co. Ltd, one of Japan's largest retail jewellers, said unmarried Japanese working women generally have money to spend on jewellery and other luxuries as many still live with their parents.

People in Japan, South Korea, Taiwan and other East Asian markets are not only buying more diamonds, but they generally go for better-quality stones than consumers in the United States.

Thailand, which in the past few years has become the world's biggest cutter of coloured stones, imported more diamonds in the first four months of this year than during the whole of 1987.

Booming
In Taiwan and South Korea, diamond sales have been booming along with economic growth. But in both countries, heavy



A shop assistant in a Tokyo jewellery shop holds two diamond rings, each worth more than \$50,000. Traders say booming demand from Japan and its neighbours is one of the main factors in the recent rise in world diamond prices. (Reuters wirephoto)

import duties have driven the market almost entirely underground.

Exact figures for imports are unavailable. But a 1986 survey by De Beers ranked South Korea as the fifth largest diamond market in the world. Unofficial estimates put diamond demand there at about \$500 million a year.

Traders in South Korea estimate that 95 per cent of the trade there is illegal and, with the import tax currently set at 347.7 per cent, it is no wonder.

Kay Kang, an executive with a South Korean company representing a large overseas diamond trader, said the best

selling items in South Korea were diamond wedding rings.

"Korean people like better-quality diamonds. They don't care much about cut, but clarity, colour and carat are important," said Kang.

South Korean diamond specialists said they did not expect a significant rise in diamond sales this year, but there should be a dramatic liberalisation of the market after the Seoul Olympics in September.

"Traders say that when the market is freed, it has to be narrowed down to a zero-per-cent free tax, because even with a 50-per-cent tax there will still be a black market," Kang said.

Oil prices steady in quiet market

LONDON, July 25, (Reuters): Oil prices held steady on international spot markets today, due more to lack of interest in trading than any inherent stability, traders said.

Most traders were content with market positions they built up during violent price swings last week after Iran accepted the UN resolution for Gulf war ceasefire.

Business is often slack on spot markets at the beginning of the week, but today's trade was unusually thin.

Dealers were happy to await further news of the peace process

in the Gulf which they think might promote greater OPEC cooperation and thus lead to higher oil prices.

Uncertainty about a meeting of OPEC's pricing committee also put a dampener on the market.

Power

Various reports have circulated that the committee, which has the power to call a full OPEC meeting to deal with the prevailing oversupply, will meet on August 3. But no committee member has so far confirmed that.

New oilfield promises good yield

NEW DELHI, July 25: The Minister of Petroleum and Natural Gas, Brahm Dutt, has said that a new oilfield with a potential to produce four million tonnes of oil per year had been discovered in the western offshore, reports Economic Times.

The field named "Neelam" has emerged as a single large field from two structures — B-131 and B-132 which were earlier considered independent.

Covering an area of 86 square kilometres, the Neelam field is considered as one of the most promising fields in the area, the minister told the members at the consultative committee of parliament attached to his ministry.

Brahm Dutt said that in the eastern region, gas had been discovered in the Adamtila structure in the Karimganj district of Assam. Gas from the well on this structure, located 60 km west of Silchar, flowed at the rate of 0.6 lakh cubic metres per day.

Objective

He also informed members that Oil India Limited had already achieved the Seventh Plan objective of establishing geological reserves of 106 million tonnes of oil and oil equivalent of gas in the first three years of the plan.

This, the minister said, had been possible through the discovery of eight oil-bearing and one gas-bearing structure, including the promising Kumchari structure in Arunachal Pradesh.

Referring to the signing of contracts with foreign oil companies for exploration in offshore blocks, Brahm Dutt said with the latest production-sharing contract for two blocks in the Kerala-Konkan basin, eight such contracts in all had been concluded. Negotiations for one more block were in progress.

He referred to the recent accident in the North Sea where a rig had been destroyed ostensibly due to gas leak and said that taking a cue from the accident, a safety audit had been ordered for all oil rigs and platforms as well as refineries as a preventive measure.

Reagan budget update likely to keep deficit on back burner

WASHINGTON, July 25, (Reuters): The huge US federal deficit, a non-issue so far in the 1988 presidential race, could become a hot campaign topic if the news is bad when the White House issues its mid-year budget review this week.

But most independent financial experts predict the report will project a deficit which falls within limits set by law, thus averting last-minute spending cuts and keeping voter concern over government red ink on the back burner.

At the core of the report — delayed to an as yet unspecified release date this week — give policymakers time to gauge the impact of this summer's Midwest drought on farm subsidies — will be a new estimate of the budget gap for fiscal year 1989, which begins on October 1.

Spending

By law, the report must show a deficit of less than \$144 billion or the government must cut most spending, for social programmes as well as defence projects, by a uniform percentage. The exact percentage depends on how much the deficit estimate exceeds the target.

Coming just a month before the November election, any cuts could return the budget issue to the campaign front lines.

A spotlight on the budget would presumably do most damage to the presidential campaign of Republican George Bush, because the vice-president is running on the economic record of the Reagan administration.

Under Reagan, the deficit

soared to new heights and has only recently begun to come down again.

However, budget analysts predict the office of management and budget will exercise enough fiscal legerdemain to come up with an estimate just below the \$144 billion threshold.

Stanley Colander, a budget analyst with accounting firm Price Waterhouse, said it is a close call whether the estimate exceeds the target. "But if they want to, then they can come up with a deficit estimate that is below the trigger point."

Discretion

"They're politically sensitive. They know as well as anyone else that Republicans as well as Democrats don't want a sequestration," Colander said, using the formal term for the process of across-the-board cuts set out in the law.

Colander estimated the actual deficit will end up closer to \$160-165 billion, "but believe it or not, there's enough discretion there to let them do what they want."

In the first nine months of fiscal 1988, the federal deficit was \$118 billion compared with 120.36 billion in the first nine months of fiscal 1987.

Red ink in all of fiscal 1987 was \$150.44 billion. In its February budget, the White House estimated that the 1988 deficit would be 146.7 billion.

Administration officials deny charges they doctor their budget estimates for political ends. In fact, White House budget chief James Miller has said on several occasions recently that across-

the-board cuts were "a distinct possibility."

But Miller "has left the Congress leeway to take action, in the form of spending cuts in appropriations bills, to keep them in line with the budget agreement" reached in November between the White House and the bipartisan leadership in Congress, said budget office spokesman Barbara Clay.

These appropriations bills, 13 of which are traditionally passed each year, set out Congress's specific spending decisions. The bills for fiscal 1989 are still wending their way through Congress, with a deadline of October 1.

Accord

It was the November budget accord, the result of intense bargaining following the October stock market crash, which set ceilings for both defence and social programme spending for fiscal 1988 and 1989 and enabled the usual political furor over the soaring national debt to subside during the campaign.

Given the contentious nature of budget politics, it is not surprising that both Bush and Massachusetts Governor Michael Dukakis, his Democratic rival for the presidency, have stuck to generalities and shunned specifics in their campaigns.

"The candidates are merely responding to the public will, which is that the deficit should be reduced but without spending cuts or tax increases," Colander said.

"For a candidate to spell out specifics at this time would only invite the other candidate to attack," he said.

Americans changing travel patterns under pressure of weak dollar

NEW YORK, July 25, (AP): American tourists are striking out for countries like Spain, Portugal, Greece and Turkey in increasing numbers as they seek to make the most of their diminished dollars, travel agents and tour operators report.

Costs in those countries are lower and their currencies have not risen as sharply against the dollar as others have. About 2.3 million Americans are vacationing overseas this year, the same level as last year, and sharply up from the 1.8 million who ventured abroad in the summer of 1986, when the dollar's slide and terrorist attacks kept many at home.

Spiral
This summer the dollar has continued its downward spiral despite a rebound earlier this month. A dollar bought 131 Japanese yen on Friday, compared with 151 yen a year ago, while a British pound has risen to \$1.74 from \$1.61.

"The big factor obviously is the purchasing power of the American dollar," said James V. Cammis, a travel industry consultant in New York. "That's really the driving force."

Europe still accounts for about half of all vacation travel overseas by Americans. Britain, France, West Germany, Italy and Switzerland remain the most popular destinations, with Britain the leader by far.

Purchases

Low buying power is keeping American tourists out of Japan, said Paul Kerstetter, vice-president of sales and marketing for Mampoutour Inc. in Lawrence, Kansas, one of the country's largest tour operators. "People just can't afford to do it," he said.

Even when Americans stick with their traditional vacation spots, many of them are cutting back their spending or staying for shorter periods, experts say. "They're buying down," said Robin Prestage, a spokesman in New York for the British Tourist Authority.

For some US travellers, that means staying in a moderately priced hotel, or even a bed-and-breakfast, instead of first-class accommodations, or cutting back on eliminating purchases of French perfume, British chinaware and other goods.

A typical seven-day European tour package, including airfare, hotels and some meals, costs around \$1,350 per person this summer, up about \$70 from last year. A room in a moderate European hotel runs about \$150 a day, compared with \$100 a year ago, while the average round-trip plane fare to Europe has jumped to about \$800 from \$600.

Another feature this summer: more vacationers going abroad are using plane tickets obtained through frequent-flyer programmes. Some travel agents estimate that as many as 25 per cent of their customers for foreign travel are cashing in frequent-flyer awards.

That could be artificially inflating overseas travel figures for this summer, since many of the "frequent fliers" might not have taken the trip without the free ticket.

World Bank plans 10pc hike in lending

WASHINGTON, July 25: The World Bank is now confident that it has a "very strong basis" for the planned expansion of bank lending by 10 per cent a year to over \$20 billion a year by the early nineties, Dr Ernest Stern, senior vice-president for finance, said at a special briefing recently in New York, according to Economic Times.

Income
Stern's remarks are reproduced in the latest issue of "World Bank News". Stern said that fiscal 1988 was an excellent year for the bank. He cited approval of a capital increase which raised the bank's total authorised capital to \$171.4 billion and "increasingly cost effective and growing access" to international markets.

The bank's net income for fiscal 1988, ending June 30, 1988, was \$1,004 billion against last year's \$1,113 billion. When added to reserves, the net income will bring the bank's total reserves to \$8.5 billion, he said.

The World Bank also saved \$476 million from refinancing, not included in the fiscal 1988 borrowing programme. The refinancing totalled \$4.4 billion equivalent of earlier high coupon borrowings.

Largely because of these savings, the bank was able to lower its lending rate twice in fiscal 1988. The lending rate now stands at 7.59 per cent for the six months beginning July 1, 1988. This rate is the lowest since the pool-based lending rate system began in July 1982.

The bank's equity on June 30, 1988 consisted of \$5.4 billion of usable paid in capital plus \$8.5 billion of reserves and accumulated net income, compared to \$4.9 billion and \$7.7 billion respectively on June 30, 1987.

Commitments
New loan commitments by the World Bank in fiscal 1988 totalled \$14.8 billion compared to \$14.2 billion last year. Disbursements reached a record level of \$11.6 billion — up \$250 million from fiscal 1987. Service payments to the bank on loans totalled \$15 billion. Repayments of principal were \$8.2 billion and interest payments and commitment fees were \$6.8 billion.

The bank's return on average total earning assets — both disbursed and outstanding loans and liquid investments — was 8.3 per cent in fiscal 1988 compared to 8.52 per cent in fiscal 1987. The average return on its loans, which totalled \$81.8 billion on June 30, 1988, was 8.25 per cent compared to 8.78 per cent in fiscal 1987.

Cost
The average cost of total funds, consisting of outstanding debt — which averaged \$88.3 billion — and the bank's equity, which averaged \$13.8 billion, was 6.46 per cent compared to 6.73 per cent during fiscal 1987.

Currently there are eight countries on "non-accrual status". A country is placed on non-accrual status when its debt service payments to the bank are more than six months overdue.

WORLD STOCK ROUNDUP

SYDNEY, July 25, (Reuters): The share market



ROYAL Marines commando Peter Dahle prepares to climb Hong Kong's tallest building, the 642-foot Hopewell Centre, in a bid to break the world record. Dahle and three colleagues completed the task and raised more than \$64,000 for a local charity. (Reuter wirephoto)



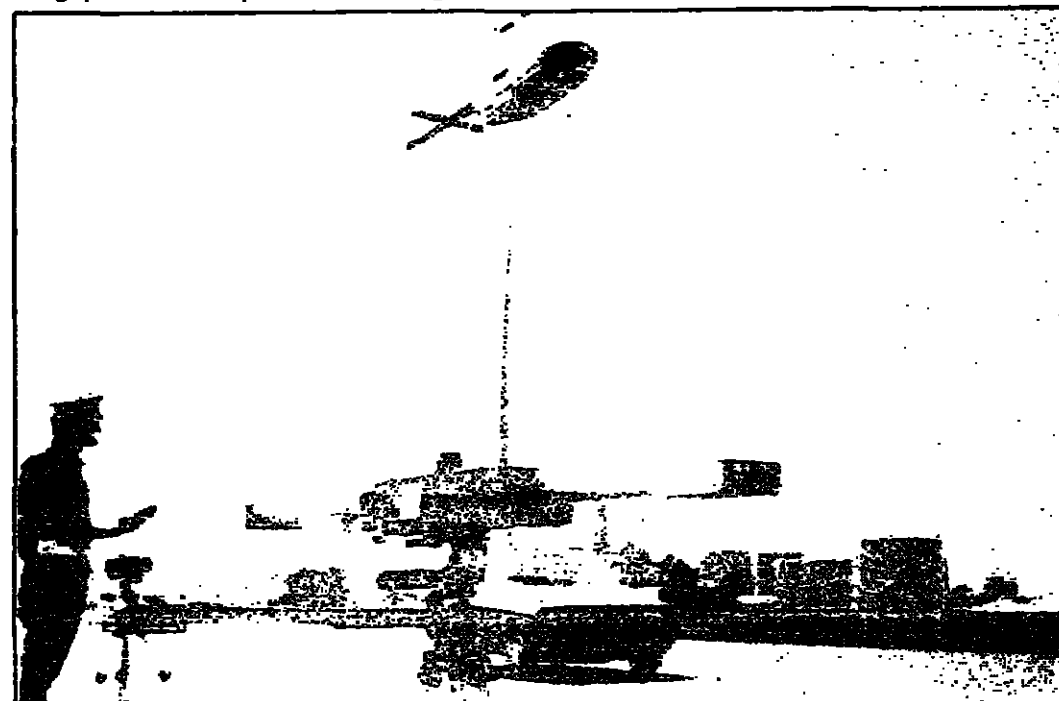
A PALESTINIAN youth, suffering from teargas asphyxiation, is comforted by a friend in a pharmacy near Damascus Gate in Jerusalem. (Reuter wirephoto)



ABOUT 2,000 leftists show their disapproval of President Corazon Aquino by displaying a poster mocking her at a Manila Plaza rally yesterday. The poster depicts Aquino as a 'fascist' carrying a gun and ridicules the yellow theme colour of her campaigns. (Reuter wirephoto)



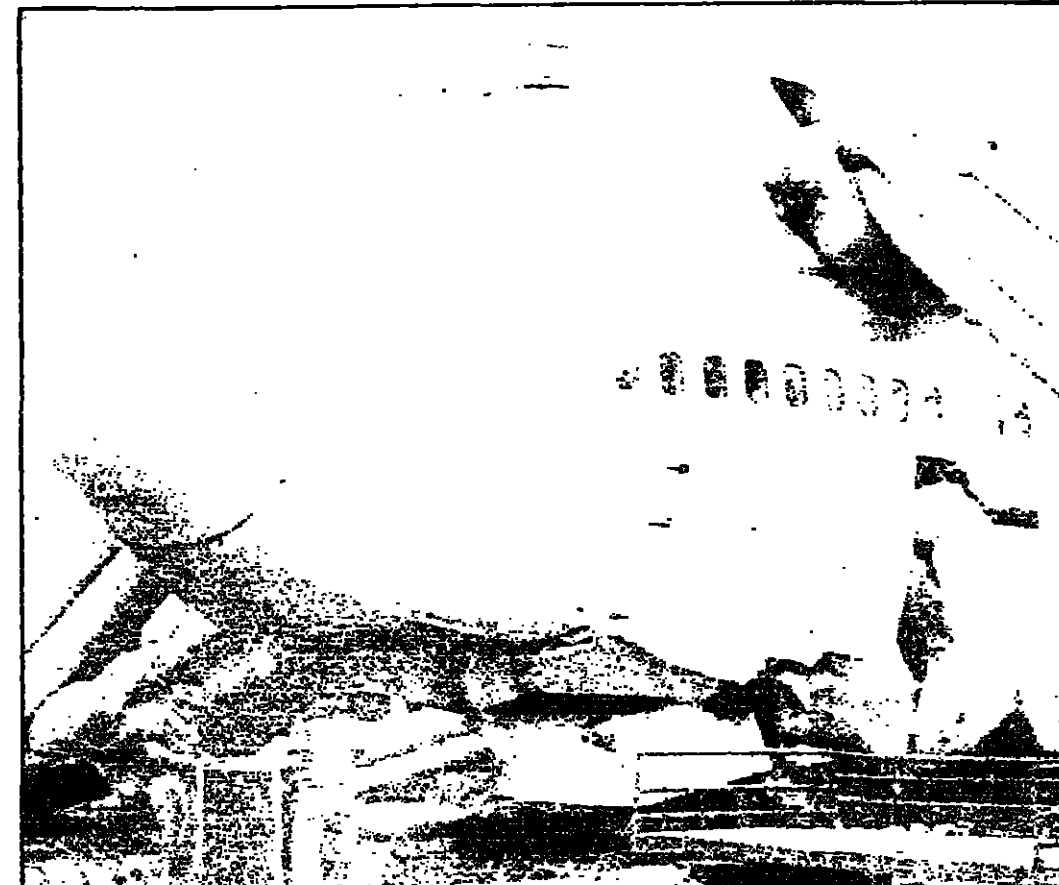
A LEADING Taiwanese dissident, Chen Han-Chen, is carried away by policewomen to a Singapore Airlines plane after failing to sneak into the country. (Reuter wirephoto)



ITALIAN police use a radar gun on the ground and a helicopter in the air to control traffic on a highway near Milan. About 30,000 police have been mobilised to enforce lower speed limits to try and curb summer holiday road fatalities. (Reuter wirephoto)



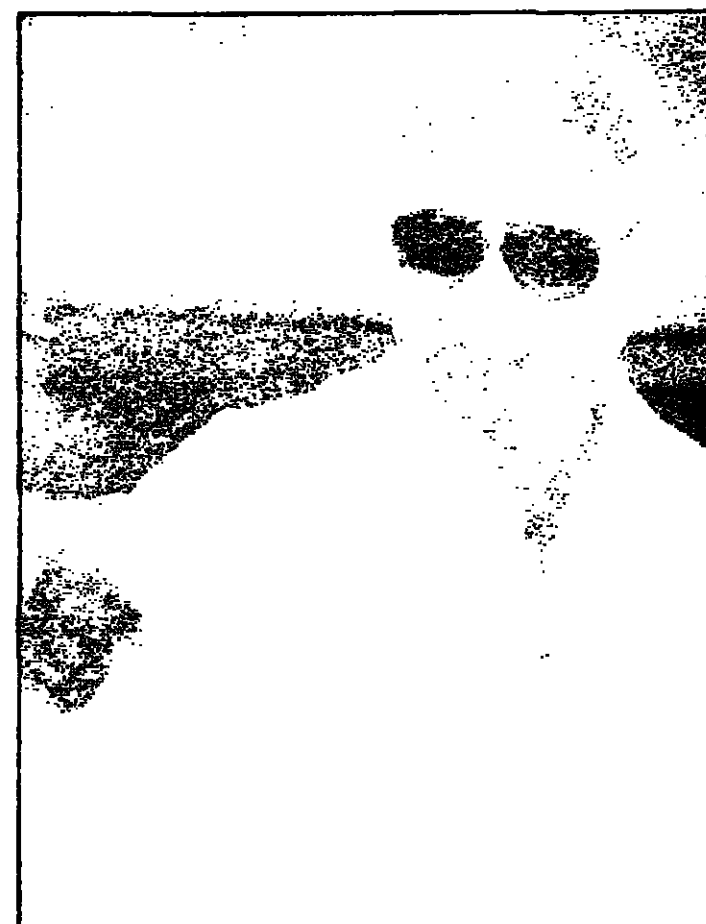
RELATIVES of passengers of a fishing boat which collided with a defence forces submarine on Saturday, weep while watching the scene of the collision from the deck of a boat. (Reuter wirephoto)



AIRPORT personnel inspect the massive damage to the underbelly of an Air France Boeing 747 which overran the runway after the pilot aborted take-off. (Reuter wirephoto)



HUNGARIAN professor Erno Rubik, who invented the Rubik's Cube, holds up his latest mind-boggling puzzle which even he cannot solve. The new Rubik's Clock will go on sale in the UK next week and the inventor will travel the country in search of someone who can solve the puzzle. (Reuter wirephoto)



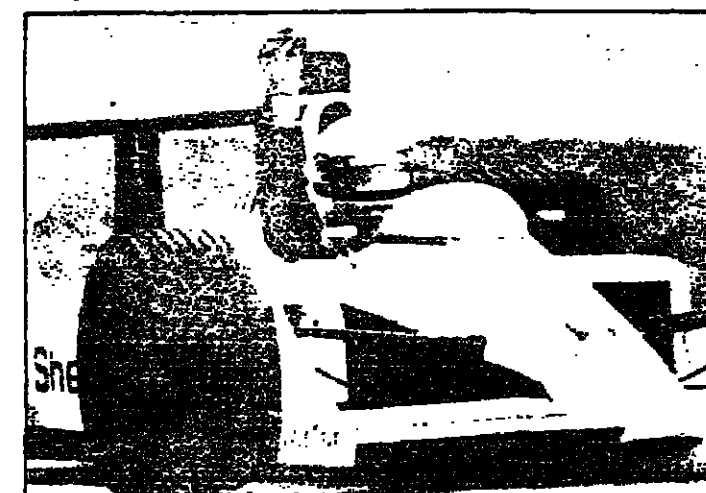
PRIME MINISTER Prem Tinsulanonda outside a polling station where he voted in the Thai general election on Sunday. (Reuter wirephoto)



SPAIN'S Pedro Delgado (left) races past the Arc de Triomphe on arrival in Paris where he won the Tour de France on Sunday. (Reuter wirephoto)



JACQUES CORNU of Switzerland falls from his 250cc Honda motorcycle. Yet he took the third best time. (Reuter wirephoto)



BRAZIL'S Ayrton Senna raises his arm in joy after crossing the finish line of West German F1 Grand Prix in Hockenheim, West Germany. (Reuter wirephoto)

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SPORTS

BRAZILIAN PUTS PRESSURE ON PROST

Senna wins W. German Grand Prix



Senna lifts the winner's trophy after the race. (Reuters wirephoto)

HOCKENHEIM, West Germany, July 25. (Reuters) Brazilian Ayrton Senna gave another exhibition of his accomplished wet track driving skills yesterday as he raced to a convincing victory in the West German Grand Prix motor race.

Senna, who won in heavy rain at the British Grand Prix two weeks ago, led from the lights to the chequered flag at the demanding 6.977-km Hockenheim circuit for a triumph which cut McLaren teammate Alain Prost's lead in the World Championship to three points.

After nine of the season's 16 Formula One races, Frenchman Prost, who finished a distant second, has a total of 60 points and Senna, in his first season with the all-conquering McLaren team, 57.

Treacherous
Senna, driving with controlled flair on a track made treacherous by rain before and during the 44-lap 299 kilometres race, finished in a winning time of one hour 32 minutes 54.188 seconds.

It was his fourth win in five races, his fifth of the season and the 11th of his 71-race career.

Prost was 13.609 seconds behind, having been forced to give up his vain chase for the lead on the 34th lap when he spun violently and lost nearly 20 seconds.

Senna's win and Prost's second place extended the McLaren team's record winning start to the season to nine consecutive races. They have enjoyed one-two finishes in six of

them.

For the rest, it was always a battle for second place once Prost had overcome a poor start and, on the 12th lap, regained the second position he had held on the grid.

The Ferraris of Austrian Gerhard Berger and Italian Michele Alboreto finished in third and fourth positions — Alboreto thanks to a late and lengthy pit-stop by Italian Alessandro Nannini in a Benetton for repairs to a broken throttle cable — to prove once again the supremacy of the turbo-powered engines on Europe's high-speed circuits.

Ivan Capelli of Italy came fifth in his march to lead the normally-aspirated contenders. It equalled his previous best result at the Canadian Grand Prix.

He was followed home by Thierry Boutsen in the second Benetton, the Belgian admitting afterwards that his car had been "almost impossible to control" during the race because of the wet track.

World champion Nelson Piquet of Brazil, seeking to complete a hat-trick of West German wins in his 150th Grand Prix, was unable to complete a full lap.

Having taken the risk of retaining slick tyres for the race, Piquet lost control of his car on the wet track and aquaplaned into a barrier of tyres of the opening lap.

He managed to recover and reach the pits, but retired with a badly-damaged car and a serious clutch problem.

Piquet said: "It was a big one. I

aquaplaned off the straight... the car swung left, then right and I lost control.

"It was a shame — I knew the first lap was the most risky." Piquet's accident, in which the driver was not injured, was one of several spins and near-misses in an incident-packed race.

In addition to Prost's unexpected spin, Frenchman Philippe Alliot's Lola race into the tyres at the Chicane, Alex Caffi's Dallara lost a tyre, fellow-Italian Andrea de Cesaris spun off and recovered and Berger was forced to run off on to the grass to pass West German Bernd Schneider's Zakspeed.

The Austrian drove on shaking his fist in anger following the last incident.

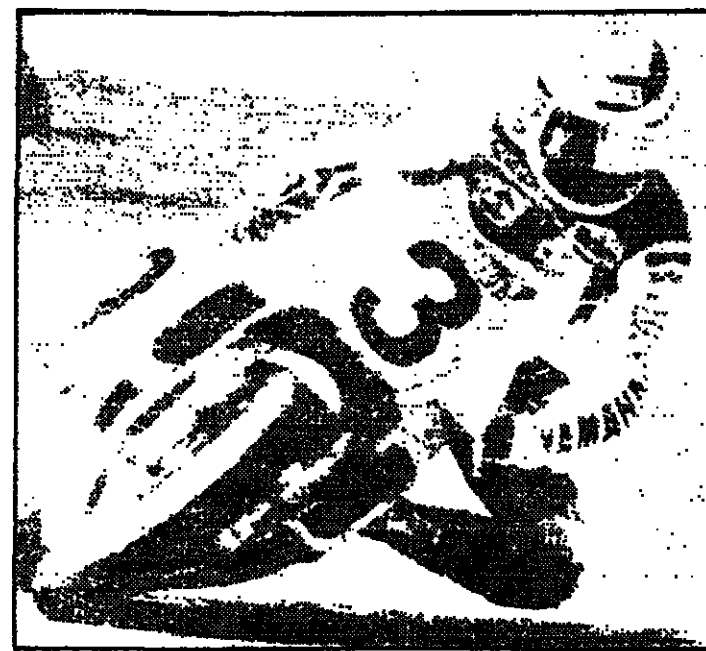
Pushing

Senna, clearly happy to have opened up his private title race with Prost, said: "I knew Alain was pushing hard to get back at me, so I just concentrated on maintaining the gap."

With wet tyres over a full race distance without a stop, it was a bit difficult. But my fifth win feels good."

Prost, who retired in the rain at Silverstone two weeks ago, said: "The races are not going the way I would like them at the moment and, in these conditions, I am not very confident, which is why I had a bad start."

Berger admitted: "We have no chance of winning any races at Ferrari this season with our fuel consumption problems. I am looking forward to next season."



Lawson tackles a curve during the race. (Reuters wirephoto)

Injured Lawson fights off unlucky Gardner

LE CASTELLET, France, July 25. (Agencies) Former world champion Eddie Lawson won the French 500cc motorcycle Grand Prix yesterday despite riding with a dislocated shoulder suffered in a fall last week.

The American, on a Yamaha, extended his lead over reigning champion Wayne Gardner of Australia, fourth in the race, to 27 points with his victory from Christian Sarron of France and fellow-American Kevin Schwantz.

Lawson, who injured his shoulder when he fell in last Sunday's Yugoslav round at Rijeka, took advantage of Gardner's mechanical problems in the late stages to win his fifth Grand Prix of the season.

The Australian, riding with an injured wrist after a training crash, opened a gap on the rest and seemed to be heading for victory before his Honda lost power on the last few bends.

Attempted
Sarron, fastest in practice for the fifth successive time, had a terrible start as he attempted to win at home at long last.

But he fought back on his Yamaha and took turns with Gardner and Schwantz, riding a Suzuki, to lead in the middle section of the race.

Lawson came through later and began to tussle with Gardner for the lead in the closing stages.

After the race the 28-year-old Gardner was most disappointed with his result. "I had the race

won but the engine cut out at the end of the straight and that was that. The others managed to get past and I only managed fourth," said Gardner.

Gardner may take consolation from the fact that he shattered the lap record by over two seconds as he fought off possibly the finest race ever seen round the 5.81 km circuit.

With only five rounds remaining Gardner is still optimistic about his title chances. "Although Eddie Lawson has a big advantage I aim to take every race as it comes and keep the pressure on right until the final round in Brazil in September," he said.

Gardner's teammate in the Rothmans Honda 500cc team, Shunji Yatsushiro, also had his share of bad luck in France. The former Japanese Formula One champion crashed out of the race early on and dislocated his hip.

World 250cc champion Tony Mang took no part in the French Grand Prix following his crash in Yugoslavia the previous week which left him nursing a broken collarbone. His teammate, Frenchman Dominique Sarron, was desperately keen to do well at Paul Ricard and he kept the home fans happy finishing in third place on the Rothmans Honda NSR250 behind Jacques Cornu and Sito Pons.

The chase for the championships moves on to round 12 and the British Grand Prix at Donington Park on August 7.

Sochaux defeat Racing to stay in top position

PARIS, July 25. (Reuters) A goal in each half from Stephane Paille kept newly promoted Sochaux on top of the French Soccer League with a 2-0 home victory over Matra Racing Paris on Saturday.

Paille struck in the 30th minute and again on the hour to give the exciting young Sochaux side a maximum six points from their opening two games. The French League switched to the English system of awarding three points for a win this season.

Extended
Sochaux, who won their opening game 3-0 in Strasbourg last week, pushed Racing to last place and extended the expensive team's run without a League win to 15 matches.

Sochaux were joined on six points by three other clubs — Lille, Toulon and Toulouse.

The most explosive match was at Lille where the home side were already counting the points thanks to Belgian Philippe Des-

met's first half goal against Marseille.

But Marseille equalised with a bizarre own goal two minutes into injury time by Alain Doare. Three minutes later, with the full time whistle still not blown, Lille wrapped up the match with a penalty from Gaston Mobati of Zaire after Marseille keeper Gaetan Huard brought down another Belgian player, Erwin Vandenbergh.

Toulon beat Metz 1-0 and Toulouse defeated Lens 2-1.

Champions Monaco are fifth, two points behind the leading four after a 2-0 home win over Riviera rivals Cannes with goals from new signing Jose Touré and England midfielder Glenn Hoddle.

It was a good day for Britons. Scot Mo Johnston gave Nantes the lead away to newly promoted Caen, whose new English signing Brian Stein equalised for his first goal in France. But Nantes finally ran out 3-2 winners.

Yankees and Royals share four games

NEW YORK, July 25. (AP) In four games between the New York Yankees and Kansas City Royals, there were 56 runs, 81 hits, 161.019 fans and not a moment of boredom.

The teams capped a wild series yesterday with the Yankees winning 10-8 after blowing a seven-run lead. New York, which lost the previous day despite Dave Winfield's first-winning Grand Slam, gained a tie for first in the American League East, as Detroit lost 1-0 to Oakland.

The Royals and Yankees won two games each.

"We had a chance to win all four. But give Kansas City credit for battling hard. All four were great games for the fans to watch," Yankees manager Lou Piniella said. "I'm proud of the way our team battled back today, especially after the two devastating losses we had the past couple of nights."

Kansas City had scored a run in the second, two in the third and five more in the fourth to take an 8-7 lead. But Jack Clark hit a three-run homer in the sixth and reliever Neil Allen and Dave Righetti shut down the Royals.

Athletics 1, Tigers 0

Detroit, which had been in sole possession of first place in the AL East since June 30, was shut out by Oakland's Bob Welch and lost for the seventh time in 10 games since the All-Star break.

Standings

American League

	W	L	Pct.	GB
Detroit	55	40	.579	—
New York	55	40	.579	—
Boston	54	42	.563	1 1/2
Milwaukee	51	47	.520	5 1/2
Cleveland	49	50	.495	8
Toronto	49	50	.495	8
Baltimore	31	66	.320	25

West Division

	W	L	Pct.	GB
Oakland	61	38	.616	—
Minnesota	53	43	.552	6 1/2
Kansas City	49	49	.500	11 1/2
California	47	50	.485	13
Texas	44	52	.458	15 1/2
Chicago	43	54	.443	17
Seattle	39	59	.398	21 1/2

Saturday's games

	W	L	Pct.	GB
Boston	11	Chicago	5	—
Oakland	4	Detroit	1	—
Kansas City	6	New York	5	—
Baltimore	11	Minnesota	4	—
Texas	7	Milwaukee	2	—
Toronto	5	Seattle	4	—
California	5	Cleveland	4	—

Yesterday's games

	W	L	Pct.	GB
Boston	3	Chicago	2	—
Minnesota	6	Baltimore	1	—
Texas	6	Milwaukee	4	—
New York	10	Kansas City	2	—
Cleveland	9	California	0	—
Oakland	1	Detroit	0	—
Toronto	6	Seattle	0	—

National League

	W	L	Pct.	GB
New York	58	39	.598	—
Pittsburgh	56	41	.577	2
Montreal	50	47	.510	6
Chicago	48	49	.495	10
St. Louis	43	54	.443	15
Philadelphia	42	55	.433	16

West Division

	W	L	Pct.	GB
Los Angeles	57	39	.594	—
Houston	52	46	.531	6
San Francisco	50	46	.521	7
Cincinnati	47	50	.485	10 1/2
San Diego	45	54	.455	13 1/2
Atlanta	34	62	.354	23

Saturday's games

	W	L	Pct.	GB
Atlanta	6	New York	1	—
Montreal	4	Cincinnati	0	—
San Francisco	6	St. Louis	3	—
Chicago	3	San Diego	2	—
Los Angeles	6	Pittsburgh	2	—
Houston	7	Philadelphia	0	—

Yesterday's games

	W	L	Pct.	GB
Atlanta	2	New York	2	—
Los Angeles	2	Pittsburgh	3	—
Montreal	5	Cincinnati	1	—
San Francisco	5	St. Louis	3	—
San Diego	2	Chicago	0	—
Philadelphia	3	Houston	1	—

Kingdom and Slaney shine at US trials

INDIANAPOLIS, July 25. (Reuters) Roger Kingdom ran the fastest 110 metres hurdles in three years and Mary Decker Slaney the fastest women's 1,500 metres this year on Saturday at the US Olympic trials.

Later, Florence Griffith-Joyner clocked 21.85 seconds in the women's 200 metres final as she failed to capture her second world sprint record of the trials, as promised.

Record

Jackie Joyner-Kersey earned her second spot on the US team by leaping a wind-aided 7.45 metres in the final of the women's long jump. A week ago she set a world record of 7.275 points in the heptathlon at the nine-day trials, which ended on Saturday.

Kingdom's performance of 13.14 seconds came in the same semifinal race that ended Greg Foster's bid to make the US Olympic team with a broken left arm.

Foster, twice world champion, lost his balance after becoming slightly entangled with a fellow

hurdler before the sixth hurdle and stopped following the eighth hurdle rather than risk a fall.

Only the top three finishers in the 110 metres hurdles final, which was scheduled for later Saturday, earn spots on the US team for Seoul.

Kingdom topped the list when he won the final in a wind-aided 13.21 seconds. Tonie Campbell and Arthur Blake finished second and third.

Slaney, in a time of three minutes and 58.92 seconds, won by eight metres over Regina Jacobs in the fastest women's 1,500 ever run in the United States as she made the US team in her second event. She won the 3,000 metres earlier in the trials.

Second

Pam Marshall finished second in the women's 200 metres final in 21.93 seconds and Gwen Torrence was third in 22.02 seconds.

Mac Wilkins, the 1976 gold medalist, won the discus with a best of 66.00 metres.



Griffith-Joyner (right) and Torrence wave American flags after the 200 metre race. (Reuters wirephoto)

N. Korea may attend Seoul Games

SEOUL, July 25. (Reuters) South Korean opposition leaders said today an apparent thaw in relations with North Korea could lead Pyongyang to attend the Seoul Olympics.

Kim Dae-jung, chief of the main opposition Democratic Reunification Party, told reporters: "If the proposed South-North parliamentary talks go well, I believe there will be progress in solving the question of North Korea participating in the Olympic Games."

"Or we may expect the North to send a goodwill mission of some sort to help celebrate the Olympics," he said without elaborating.

Representatives of ruling and

opposition parties met in Parliament today to continue discussions on steps towards the parliamentary conference, proposed by the North last week.

South Korea's state radio yesterday said US officials separately told visitors from President Roh Tae-woo's party and from another opposition party led by Kim Young-Sam that Pyongyang may announce a decision to take part in the Olympics on August 15 — Korea's Independence Day.

Rejected

North Korea has said it would not attend unless it is allowed to co-host the Games — a demand rejected by both South Korea and the International Olympic

Committee (IOC).

In the report, the Korea Broadcasting System quoted the US officials as saying the North was likely to accept five Olympic events jointly offered by Seoul and the IOC — to stage all or some of the archery, table tennis, volleyball, soccer and women's cycling events. North Korea had earlier rejected the offer as inadequate.

Kim Young-Sam quoted unnamed US officials as telling a Democratic Reunification Party vice-president, now visiting Washington, that there was a possibility Pyongyang would abandon its boycott of the Games, due to open on September 17, party officials said.

Cayton wanted to buy out Tyson

NEW YORK, July 25. (AP) A published report quoted heavyweight champion Mike Tyson as saying that manager Bill Cayton "wanted to buy me out for \$40 million."

Tyson told the New York Daily News in its Sunday edition that when Cayton made the \$40 million buyout suggestion, he was serious.

Doubts

"I didn't see him laughing when he said it," Tyson said. "I told him I wouldn't even think of it."

Tyson said he doubts he can ever again work with Cayton. "He took advantage of me," the champion said.

Delgado puts dope row behind him to triumph in Paris

PARIS, July 25. (Reuters) Pedro Delgado of Spain, refusing to yield to the pressures of the doping controversy surrounding him this week, was finally crowned victor of the 75th Tour de France on the Champs Elysees yesterday.

Delgado, who killed off all his rivals in the Alps and the Pyrenees with the finesse of a matador, became only the third Spaniard to win cycling's most prestigious race. The last was Luis Ocaña in 1973.

The 22nd and final stage of the three-week marathon, covering more than 3,000 kms, was won by the Tour's outstanding sprinter Jean Paul van Poppel of the Netherlands.

Previous

The Dutch rider collected his fourth Peugeot car for a stage win in the race. His three previous victories had been achieved on successive Tuesdays.

Delgado, who this week was found to have taken the masking agent probenecid, was cleared because the drug is not yet on the proscribed list of the International Cycling Union (UCI) although it is banned by the International Olympic Committee (IOC).



Delgado rides with the Spanish flag down Paris' Champs Elysees after his victory. (Reuters wirephoto)

There was a faint irony when he mounted the victory rostrum and was joined by the women's Tour winner Jeannie Longo of France, who was punished for taking dope last year though she strenuously denied doing so.

Delgado finished in the pack in the final stage but won the race by more than seven minutes from Steven Rooks of the Netherlands with Fabio Parra of Colombia

third. Guido Bontempi of Italy was second in the stage, just behind Van Poppel in the massed sprint, with Mathieu Hermas of the Netherlands third.

In a 172.5-km stage from Nemours, the 151 riders left from the 198 starters in the race, finally caught their first view of the Eiffel Tower as they entered Paris. The final parade — six times



All the riders before the finish. Delgado (centre) without a hat stayed with the pack. (Reuters wirephoto)

along the Champs Elysees proved exciting, with several individuals and groups making breaks in an attempt to take the honour of winning the final stage.

The awards ceremony was a traditional festival in itself. Rooks won the king of the mountains title, the first Dutch rider ever to do so.

Eddy Planckaert of Belgium

was given the green jersey as points winner. Erik Breukink of the Netherlands the white jersey as best young rider and another Dutch rider, Frans Maassen, the red jersey for winning the intermediate sprints.

Though Delgado's victory was met with great rejoicing in Spain and, particularly, his home town of Segovia, it may be some time before his fellow-countrymen

can greet him in style.

Delgado said he would go straight on to the Netherlands to take part in races there before returning home on August 8.

Longo, 29, of Grenoble in eastern France, took the overall leader's yellow jersey from Monique Knol of the Netherlands following the July 9 prologue and never gave it up.

The winner of the 12th and final stage — a relatively flat leg of 64.5 kilometres from Chaville to Paris — was French cyclist Virginie Lafargue.

Expected

The women crossed the finish line on the Champs Elysees a few hours before the men were expected to arrive, ending the 838-kilometre race that began July 11.

This year's fifth separate Tour de France included 12 national teams, unlike the men's Tour in which the teams are named for their sponsors and often include cyclists of different nationalities.

France had two teams with Italy, West Germany, the Soviet Union, the United States, Australia, Britain, Switzerland, the Netherlands and China also competing. There was a combined team from Scandinavian countries.

Descamps scores easy victory in Morocco

By Gail Seery in Marrakesh

FRENCH Moroccan driver Paul Descamps and co-driver M. Gautheron took a decisive and unchallenged victory in this weekend's Marlboro Rallye du Maroc.

During the four-day event, which ended on Saturday evening, some thirty-one starters dwindled to only eight finishers, and drivers were faced with arduous conditions, particularly on the Ouzazate sections. However, Descamps, driving an Opel Manta 400 took the lead early on and held it until the end of the Moroccan rally.

Second place was taken by his fellow countryman and teammate P. Borne, also competing in an Opel Manta. The two cars were supported and serviced throughout the event by Guy Consoul, an ex-Belgian champion, and proved that these specialist cars, built for these type of conditions, can still notch up

SPORTS BRIEFS

Gross dominates

KARLSRUHE, West Germany, July 25. (Reuters): Michael Gross showed his continued dominance at the West German Swimming Championships which ended yesterday. Gross won the 200 metres butterfly in one minute 56.48 seconds, 0.24 seconds outside the world record he set in Hanover in 1986. He also just missed a world record with his 1:47.74 winning time in the 220 metres freestyle.

\$8m payday

NEW YORK, July 25. (Reuters): Undisputed world heavyweight champion Mike Tyson, saying he could not pass up an eight-million-dollar payday, will fight Briton Frank Bruno in London on September 3, a newspaper reported today.

Flags disappear

SEOUL, South Korea, July 25. (AP): Flags of 22 of the nations that will compete in Olympic cycling events this fall have disappeared from roadside poles planted along the race route, police reported today.

Indonesian Open

JAKARTA, Indonesia, July 25. (AP): Indonesia's Ick Sugianto captured the men's singles title, while Li Lingwei of China won the women's singles yesterday in the Pelita Jaya Indonesian Open badminton championships.

US diving

IRVINE, California, July 25. (AP): Two-time Olympic gold medalist Greg Louganis completed his expected domination of the US Diving Outdoor Championships yesterday by winning the men's 10-metre platform, his third title of the meet.

Indy-car race

EAST RUTHERFORD, New Jersey, July 25. (AP): Al Unser Jr nudged past Emerson Fittipaldi and then took advantage of Mario Andretti's mechanical problem with two laps remaining to win the Marlboro Grand Prix Indy-car race yesterday at the Meadowlands.

WBC fight

SEOUL, July 25. (Reuters): South Korean Kim Yong-Kang captured the World Boxing Council (WBC) flyweight title with a 12-round unanimous points decision over holder Sot Chitalada of Thailand yesterday.

Cup qualifier

KINGSTON, Jamaica, July 25. (Reuters): Jamaica and the United States played to a 0-0 draw in their second round Concacaf World Cup soccer qualifying match at the National stadium yesterday.

Brazil coach

RIO DE JANEIRO, July 25. (Reuters): Brazil's soccer coach Carlos Alberto Silva plans to quit after the Seoul Games. "I hope to win the gold medal in the Olympics and then I think it will be best for me to let someone else take over the job. I'm tired of injustices," he said.

Edinburgh GP

LONDON, July 25. (Reuters): Harry 'Butch' Reynolds, second fastest man ever over 400 metres, and the extravagantly talented Moroccan Said Aouita will make their debuts at the Meadowbank stadium on Friday when they take part in the Edinburgh Grand Prix meeting.

'Bonecrusher' Smith

LILLINGTON, North Carolina, July 25. (AP): Former World Boxing Association heavyweight champion James 'Bonecrusher' Smith, who plans to begin a comeback next Saturday in Atlantic City, now says his opponent for the bout is uncertain.

Dutch Open

HILVERSUM, Netherlands, July 25. (Reuters): British golfer Mark Mouland returned a last round 65 to come from seven behind overnight leader Tony Johnstone of Zimbabwe to win the Dutch Open in Hilversum yesterday.

Brooks triumphs

CROMWELL, Conn., July 25. (Reuters): American Mark Brooks sank a 10-foot birdie putt on the second playoff hole to win the Greater Hartford Open golf tournament yesterday, to win his first PGA Tour event.

US Open

BALTIMORE, July 25. (Reuters): Sweden's Liselotte Neumann won her first LPGA Tour event, beating American Patty Sheehan by three strokes at the US Women's Open golf championship yesterday. Neumann turned in a two-under-par 69 to bring her four-round total to 277.

CARIBBEAN CRICKETERS NEED 38 RUNS FOR VICTORY

W. Indies pacemen skittle England

LEEDS, England, July 25. (Reuters): Injured Allan Lamb, batting with a runner, fought a gallant battle but the West Indies pace onslaught shattered England once more on the fourth day of the fourth cricket Test today.

England stumbled to 138 all out in their second innings, leaving West Indies 65 to win. With one day left, the tourists were 27 for none at the close, needing only 38 for a 3-0 winning lead in the five-match series.

Lamb, still in considerable pain after tearing a calf muscle on Friday, stayed 87 minutes and, in a gutsy display on an otherwise melancholy day for the home supporters, made second-top score of 19, including three fours.

Struck

The injured leg meant Lamb had considerable difficulty jodging short-paced deliveries and three times he was struck painful blows on the hand and chest by Curly Ambrose.

Ambrose bowled two bouncers at Lamb and was warned by the umpire. The paceman's response was another short-pitched delivery, another rap on the hand for Lamb and two more bouncers in the next over.

Another warning followed, accompanied by slow handclapping from the Headingley crowd. Undismayed, Ambrose finally accounted for his rival in the next over, caught behind the wicket.

Lamb had arrived at the crease at 105 for six with England's slender hopes of victory already in tatters after a pre-tea collapse saw four prime wickets go for 29.

As Lamb struggled on, wickets continued to fall regularly at the other end and now not even the weather can prevent the West Indies wrapping up the series. Even if it rained all day tomorrow they would remain 2-0 up with only one match left.

The West Indies had started the day on 238 for eight in their first innings, 37 ahead, and England badly needed to contain them.

But after running out Winston Benjamin for nine, England fell foul of a last wicket partnership of 30 between Roger Harper (56) and Courtney Walsh, unbeaten on nine, which took the tourists to 275 all out.

In view of England's frail batting, that represented a more than useful lead of 74 and although openers Graham Gooch and Tim Curtis managed an opening partnership of 56 it was not too long before the floodgates opened.

Ambrose bowled Curtis for 12 and Gooch went for a creditable 50, caught by Carl Hooper off Walsh. After that only Bill Athey and Robin Smith, with 11 apiece, and Lamb reached double figures.

Disappointments included former captain David Gower (two) and new skipper Chris Cowdrey (five).



Walsh took three wickets

Once again Gower fell to a catch in the wicketkeeper/slip area, calling into question his international future, even though today's runs in his 100th Test took him to the 7,000-mark in his Test career.

Cowdrey again demonstrated his batting limitations at this level after failing to score in the first innings.

But few sides could cope with the current West Indian pace line-up. In another highly impressive display Ambrose finished with three for 40, Walsh

three for 38 and Benjamin two for two off five overs.

Meanwhile, a heckler who upset Viv Richards at Headingley on Saturday apologised in writing to the West Indies cricket captain today.

Yorkshire member Chris White appeared at the county club offices early this morning and said the incident had been a misunderstanding.

Richards was clearly upset by what he construed as racial taunts while making a ground inspection.

Scoreboard

ENGLAND first innings 201 (A. Lamb 64 retired hurt)

WEST INDIES first innings (over-night 238 for eight)

D. Haynes lbw b Pringle 54

D. Gower c Smith b Dillley 13

C. Hooper lbw b Foster 19

V. Richards c Curtis b Foster 18

G. Gooch c Foster b Pringle 44

K. Arburn c Richards b Pringle 47

R. Harper c Gower b Foster 56

M. Marshall c Gooch b Pringle 3

C. Ambrose lbw b Pringle 3

W. Benjamin run out 9

C. Walsh not out 9

Extras (lb-15) 15

Total 275

Fall of wickets: 1-15 2-61 3-97 4-137 5-156 6-194 7-210 8-222 9-245

Bowling: Dillley 20-5-59-1, Foster 32-2-6-65, Pringle 27-1-55-5, Cowdrey 2-0-0-0

ENGLAND second innings

G. Gooch c Hooper b Walsh 50

T. Curtis b Ambrose 12

W. Athey c Dillley b Walsh 11

D. Gower c Dillley b Marshall 2

R. Smith lbw b Marshall 11

C. Cowdrey b Walsh 5

J. Richards b Ambrose 19

A. Lamb c Dillley b Ambrose 19

D. Pringle b Benjamin 3

N. Foster c Hooper b Benjamin 0

G. Dillley not out 2

Extras (lb-3) 15

Total (all out) 138

Fall of wickets: 1-56 2-80 3-85 4-85 5-105 6-185 7-127 8-132 9-132

Bowling: Marshall 17-4-47-2, Ambrose 19-5-4-40-3, Walsh 20-9-38-3, Benjamin 5-4-2-2

WEST INDIES second innings

D. Haynes not out 10

J. Dillley not out 17

Extras 0

Total (for no wicket) 27

Bowling to date: Dillley 4-0-16-0, Foster 3-0-11-0

E. Germans swim to year's best

POTS DAM, East Germany, July 25. (Reuters): East Germany's impressive swimmers sent out an Olympic warning signal on the last day of the national championships yesterday with two 1988 world best performances, including an equalled European record.

World and European champion Cornelia Sirch clocked two minutes 9.91 seconds in the 200 metres backstroke to match the European mark she set at the 1982 World Championships at Guayaquil, Ecuador.

Sirch finished over three seconds ahead of Kathrin Zimmermann, European silver and World Championship bronze medalist, to return the year's quickest time in the event and the fifth fastest ever.

Birte Weigang had earlier won the 200 metres butterfly in a rapid 2:09.54—her second 1988 world best time of the six-day championships among 10 set overall in a meeting used to select the team for the Seoul Olympics. European silver medalist



Dirk Richter: will get a chance to qualify

Weigang seized an early lead and put in a final kick on the last length to retain her title by a vast margin of over five seconds from second-placed Heike Grein.

Weigang, 20, set the best 100 metres butterfly time of the year earlier in the championships at the Brauhausberg pool.

In the 1,500 metres freestyle, European silver medalist Uwe Dassler successfully defended his title, clocking 15:11.24 to win by over four seconds from Potsdam teammate Joerg Hoffmann, who chased him hard and briefly held the lead around the 900-metre mark.

Other 1988 world bests set since the championships opened last Tuesday included those of world and European gold medalist Heike Friedrich at 400 and 200 metres freestyle.

Yesterday, 15-year-old Katrin Meissner upset junior European and 1987 national champion Daniela Hunger in the 50 metres freestyle and also pipped the multi-talented Kristin Otto, holder of five European and four world titles.

Chance

European and world championship 100 metres backstroke runner-up Dirk Richter injured a muscle in a relay race and so missed his best event. But coaches will give him a final chance to qualify for Seoul in a race against the clock later.

Wolfgang Richter said the outline Olympic team would be agreed this evening. Members will rest for a week, spend a week at their clubs and then travel to an East German training camp for three weeks from August 8 for specialised preparations.

Maradona makes peace with Napoli

MADONNA DI CAMPAGLIO, Italy, July 25. (Reuters): Argentine World Cup captain Diego Maradona has made peace with his Napoli club after a bitter public row over management and new signings.

Napoli manager Luciano Moggi told reporters today that "good sense" had prevailed in the row between Maradona and trainer Ottavio Bianchi, the target of widespread abuse since a player's revolt at the end of last season as a second League title slipped out of reach.

Since returning from a holiday in Polynesia last Thursday, Maradona has said he wants Bianchi out of his job, accused Napoli of breaking promises over the treatment of players involved in the revolt and criticised the signing of Brazil's Alemão.

Bianchi retorted by accusing his captain of arrogance and insubordination.

Smoothed

After speaking to both men, Moggi said: "Maradona's only objective is to put Napoli back on top. Therefore the disputes have been smoothed out."

"Maradona has sent his best wishes to his team-mates and to Bianchi and said he will see us all as planned on July 30 for pre-season training," he told reporters at the club's summer retreat in this mountain resort.

Moggi said Bianchi had appreciated Maradona's words, adding: "I am naturally satisfied at the outcome of this affair and on behalf of everyone at Napoli I want to thank everyone for showing their good sense."

Mayotte takes Schenectady title

SCHENECTADY, N.Y., July 25. (Reuters): Tim Mayotte bruised his knee and lost the first set, but came back to defeat fellow-American Johan Kriek and win the Schenectady Invitational Tennis Tournament yesterday.

In the women's final, American Gretchen Magers won the title and \$8,000 by edging out compatriot Terry Phelps 7-6 (6-3) 6-4. Phelps won \$4,000.

Mayotte's 5-7 6-3 6-2 victory was worth \$18,600, while Kriek collected \$9,300.

Connors blasts Krickstein for final

WASHINGTON, July 25. (Reuters): Top-seeded Jimmy Connors defeated fellow-American Aaron Krickstein yesterday to reach the final of the \$415,000 DC Classic tennis tournament against Andres Gomez of Ecuador.

Connors overpowered Krickstein 6-4 6-0 in their semifinal match to have another chance at winning his 106th tournament, which would be his first victory since October 1984.

"It's no secret that I want to win a tournament. I'm going to do whatever is necessary to win. I don't know what that will be. I'll figure something out. It's just a

matter of figuring it out before it's too late.

Connors, eighth in the world, took control of the match when he broke the 20-year-old Krickstein with a backhand volley winner, set up by a pinpoint two-handed backhand approach shot, to go up 5-4 in the first set.

Connors, 35, then held his serve at love in the 10th game to close out the first set and demolish Krickstein by breaking him in the first game of the second set.

Krickstein, 23 in the world, played lacklustre tennis the rest of the match and dropped his

serve three consecutive times in the second set, as he struggled just to stay in the baseline rallies in the last five games.

Krickstein, who wears a knee brace due to a chronic knee problem, said that he has always had trouble playing against Connors because of the way Connors hits the ball.

"Jimmy is the most difficult player for me to play on the Tour because he hits the ball so low. Lately, I've been having trouble in the big matches like this," Krickstein said. "I probably wasn't into the match like I should've been."

Sweden trounce France to reach Davis Cup final

BASTAD, Sweden, July 25. (Reuters): The French threat to Sweden's hopes of completing a remarkable Grand Slam of men's tennis in 1988 disintegrated today when Mats Wilander guided the Davis Cup holders into their sixth successive final.

Wilander, champion of France and Australia, produced a near-flawless display of clay-court tennis to overwhelm Henri Leconte 6-1 6-1 7-5 in the first reverse singles to put the 1975, 1984, 1985 and 1987 Davis Cup winners 3-1 in front and within reach of a fifth triumph.

Completed Having asserted themselves of a 21st victory in their 23 ties since 1983, Sweden completed the rain-delayed world group semifinal as 4-1 winners when Kent Carlsson defeated Thierry Tulasne 4-6 6-3 6-3 in the final dead singles.

New Wimbledon champion Stefan Edberg and Wilander will pose a two-pronged Swedish challenge at the US Open in September, the last major individual championship of the year.

Thus, by the time Sweden meet West Germany in the Davis Cup final in Gothenburg next December, this nation with a population smaller than that of London could be standing on the brink of a rare clean sweep.

Wilander beat Leconte in straight sets to win his third French crown last May, but although he stood 9-2 overall going into this vital encounter, he could not have envisaged winning with such consummate ease.

That was due in part to his own brilliance but also to the sad decline of Leconte, a cruel caricature of the player who kept alive French hopes yesterday when he and Guy Forget beat Wilander and Anders Jarryd 4-6 9-7 6-2 6-2 in the doubles after Sweden had won the opening two singles.

On Saturday, Wilander beat Yannick Noah 2-6 13-11 6-3 6-3 6-0 in the first rain-interrupted match carried over from Friday, before Edberg seemingly put Sweden in control by defeating Leconte 6-4 6-4 8-10 3-6 6-4.

In Dortmund, West Germany, West Germany completed a



Wilander (left) and Carlsson: score contrasting victories

third successive Davis Cup whitewash yesterday, qualifying for the final by beating Yugoslavia 5-0 after straight-sets wins in both reverse singles.

With the outcome of the tie

already decided, both matches were played in a relaxed atmosphere and were reduced to the best of three instead of five sets.

Boris Becker defeated Goran Pijpic 7-5 6-4 and Eric Jelen over-

came Slobodan Zivojinovic 6-4, 6-2.

Saturday's five-sets doubles victory by Becker and Jelen had already secured West Germany's place in the final.

And in Buenos Aires, John McEnroe, who has won more Davis Cup singles than any other American, played an inspirational role against Argentina at the weekend to help restore the United States to the elite of men's team tennis.

The 29-year-old New Yorker took his tally to 38 wins in 44 matches when he emerged triumphant from a five-set marathon against Guillermo Perez-Roldan to lay the foundations for his team's 4-1 win in the American Zone Group One final.

Possible Team-mate Andre Agassi, 11 years younger, said his victory against Martin Jaite in the second singles had been possible because McEnroe's win had taken the pressure off him.

Wimbledon doubles champions Ken Flach and Robert Seguso, unbeaten in the Davis Cup, wrapped up the tie swiftly on Saturday against Javier Frana and Christian Minussi, returning the United States to the Davis Cup world group after a year-long exile.

Slack keeps Middlesex in command of League

LONDON, July 25. (Reuters): Wilf Slack hit an unbeaten 77 yesterday, helping Middlesex beat Warwickshire by six wickets and stay in command of the English Cricket League.

Slack shared a rapid third wicket partnership of 58 with Roland Butcher and Middlesex swept past the 185-run target with 10 deliveries to spare.

At the foot of the table all-rounder Chris Lewis took a career-best four for 13 and Leicestershire cruised to an eight wickets triumph over Essex, shot out for 133. It was Leicestershire's first League win over Essex for eight years.

Stand

David Leatherdale lifted Worcestershire into joint third place alongside Surrey with 62 not out off Kent. Leatherdale and captain Phil Neale added 110 in 15 overs in an unbroken fourth wicket stand.

Hampshire's Dutch paceman Paul Hogg took a personal best five for 26 in a four-wicket win against Derbyshire.

Baker, a ski instructor during the winter, was twice on a hat-trick.

England discard David Capel inspired Northamptonshire to a five wickets victory over Sussex with a splendid 83. Pakistan's Imran Khan hit 45 not out for Sussex but all-rounder Capel made sure the 153 target was easily within range.

Australian Dennis Lillee made his League debut for Northamptonshire, bowling seven gentle but economical overs for figures of one for 18.

A fine unbeaten 93 by Graham Rose after teammate Daren Foster took three Nottinghamshire wickets for 28 gave Somerset a convincing nine wickets win.

Results

At Cardiff: Glamorgan beat Yorkshire by 15 runs in match reduced to 28 overs-a side due to



Slack: slammed 77

rain. Glamorgan 160 for four, innings closed (M. Maynard 63, Ravi Shastri 50 not out). Yorkshire 145 for seven, innings closed (P. Robinson 49, J. Derrick four for 36). Glamorgan 4 points.

At Taunton: Somerset beat Nottinghamshire by nine wickets. Nottinghamshire 162 for nine, innings closed (D. Randall 68). Somerset 163 for one in 30.3 overs (B. Rose 93 not out). Somerset 4 points.

At Leicester: Leicestershire beat Essex by eight wickets. Essex 133, innings closed (C. Lewis four for 13). Leicestershire 137 for two in 37 overs (L. Potter 66 not out). Leicestershire 4 points.

At Folkestone: Worcestershire beat Kent by seven wickets. Kent 191 for five, innings closed (M. Benson 66). Worcestershire 192 for three in 38 overs (D. Leatherdale 62 not out, P. Neale 41 not out, S. O'Shaughnessy 41). Worcestershire 4 points.

At Lord's: Middlesex beat Warwickshire by six wickets. Warwickshire 184 for eight, innings closed. Middlesex 187 for four in 38.2 overs (W. Slack 77 not out). Middlesex 4 points.

At Portsmouth: Hampshire beat Derbyshire by four wickets. Derbyshire 133 in 38.5 overs (P. Bakker five for 26). Hampshire 134 for six in 35.5 overs (J. Ayling 41 not out). Hampshire 4 points.

At Northampton: Northamptonshire beat Sussex by five wickets. Sussex 152 for six, innings closed (Imran Khan 45 not out). Northamptonshire 153 for five in 39.3 overs (D. Capel 83). Northamptonshire 4 points.

India cancel tourney

NEW DELHI, July 25. (Reuters): A proposed limited overs cricket tournament involving India, England and New Zealand, has been scrapped. Indian cricket authorities said yesterday.

The Board of Control for Cricket in India, meeting in Bangalore, said the touring sides wanted to be home by Christmas and extra matches would have delayed them.

Dropped

Board secretary Ranbir Singh Mahendra said the triangular series had been dropped in favour of India playing five separate one-day matches

against each team.

New Zealand will play three Tests at Bangalore, Bombay and Hyderabad and one-day internationals at Cuttack, Visakhapatnam, Baroda, Indore and Jamn.

Three three-day matches against West Zone at Rajkot, North Zone at Faridabad and Ranji Trophy champions Tamil Nadu at Goa have also been scheduled.

England have Tests at Delhi, Ahmedabad, Nagpur, Madras and Calcutta and one-day internationals at Jamshedpur, Bangalore, Pune, Jodhpur and Chandigarh.